



Inside Today's Blitz

- Stocks Rise After Turbulent Week of Trading As Inflation Concerns Mount
- Israel Ramps Up Bombardment of Gaza
- **CNI** enhances bid for **KSU**; **GIS** to buy pet treat biz from **TSN**; **DIS**, MLB sign 7-year deal; **Toshiba** launches strategic review

Market Outlook

Futures indicating a positive open for the day with the **Dow** up 41 bps, the **S&P** up 57 bps, and the **Nasdaq** up 1%. The **Russell** is up 65 bps. Energy is bouncing back with **WTI** up 1%. **Gold** and **silver** are both positive with the latter up 87 bps. **Copper** is down 1%. The **dollar** is down 20 bps. **Bonds** are up 32 bps. **VIX** is 21.75. It has been a relatively quiet morning for news as stocks enjoy a modest bid. Iron ore prices dropped in China today amid talk that Beijing will step in to curb recent price spikes. The commodity sank below \$200/ton after trading up to \$233. Other base metals are also lower today. This is driving some of the major mining firms lower in Europe and giving some inflation concerns a breather. Elsewhere, retail sales later today likely not a repeat of the blowout number from last month. Expectations are for 1% growth M/M. Inflation expectations will be in focus for Michigan sentiment. Dr. Fauci told the media he expects schools to reopen 'full blast' this Fall as more people get vaccinated and Pfizer's adolescent EUA moves through. Geopolitical concerns with Israel continue to grow.

Asian markets are higher today across the board with Hang Seng up 1.1%, Shanghai up 1.75%, and the Nikkei up 2.32%. In Europe, the major indices are all higher today with the DAX up 62 bps, the CAC up 77 bps, and the FTSE up 68 bps. We're seeing outperformance in banks and energy while mining stocks are getting hit hard on the news China will take action to curb recent price spikes. Overall, EU markets on pace for their worst week since February. It was a quiet morning for stocks. Italy's **Banco BPM** rose 2.5% after an upgrade. **Danone** is down 2% after Goldman was out cautious on demographic trend shifts, particularly in China. **Atlantia** is down 2% after earnings.

Calendar

Today... Retail Sales, Industrial Production, Michigan Sentiment, Fed's Kaplan speaks; **International Data:** Canadian Home Sales; **Earnings Before the Open:** ITRM, CLSN, BPTH, RGCO, PLX, FREE, LMB; **Analyst Days:** VERI

Next Week... macro news will focus on China data for April out on Sunday night, FOMC minutes on Wednesday, and Flash PMIs for May on Friday morning. Earnings slow down but we'll get big reports from HD, M, WMT, ADI, LOW, TGT, CSCO, KSS, AMAT, PANW, and DE.

Overnight Markets

Corn	681.75	1.05%
Oil (WTI)	64.39	0.89%
Silver	27.29	0.85%
Gold	1834.4	0.57%
Natural Gas	2.984	0.37%
Bonds	156.72	0.32%
US Dollar	90.54	-0.21%
Copper	4.64	-1.08%
VIX	21.75	-4.16%

Technical View



Key Levels to Watch

S&P futures continue to grind higher this morning as we move just back above the Thursday highs at 4126.50. Our overnight peak was around 4138 while the low was early on around 4106. VWAP is rising at 4125. Areas of interest above today include 4142 and then 4168.75. A move back into yesterday's range targets 4115, 4089, and then 4062.25.

Economic Data

- **Spanish** CPI was 1.2%, in line with est.

Macro News

- **Israel** conducted ground attacks on Gaza, per NYT
- **Singapore** is moving back into stricter COVID rules as they deal with a resurgence lately, per FT
- **Japan** added three more prefectures to their current state of emergency due to a recent COVID surge, per Bloomberg
- **Canada's Central Bank** is warning against a rising CAD which could create headwinds, per Reuters
- **China** is planning to take action to curb recent price gains for various metals due to concerns the spike will undermine growth, per Bloomberg
- **President Biden** will unveil his first detailed **budget proposal** on May 27, per Reuters, but shouldn't be anything surprising given we already know a lot through the stimulus proposals
- **US Exporters may face another headwind as bridge crisis halts barges**, per Bloomberg. The vital shipping artery that snakes through the middle of America and carries barges loaded with corn bound for China and other export markets has been blocked by a crack in a bridge

Movers

Gainers: NETE 19%, LFMD 16.5%, FSR 12.5%, PUBM 8%, DASH 8%, CI 5.5%

Losers: CRMD -30%, PLT -18%, FTCH -5%, GDRX -4.5%, DIS -4%

Insider Buying

CNP, ET, CAR, LGF.B, QRTEA, ZGNX, ELAN, GTX, DOOR

IPO Calendar

Enact Holdings (ACT) issuing 22.6M shares at \$20-\$24; a Leading private mortgage insurance company

Squarespace (SQSP) direct listing; All-in-one platform for businesses and independent creators to build an online presence and growth brands on the internet

Stock-Specific News

Consumer

- **Disney (DIS)** is in talks with the NFL to assume the Sunday Ticket franchise, per Reuters. Direct TV has said they won't renew the deal when it expires in 2022.
- **DIS** announced a new 7-year deal with MLB; announces deal with LaLiga in Spain for ESPN+
- **General Mills (GIS)** is buying the pet treats business of **Tyson (TSN)** for \$1.2B in cash, a leader in natural meat treats for pets. The deal is modestly accretive.
- **Grupo Comercial Chedraui** to acquire **Smart & Final** for roughly \$620M. The deal comes as grocery sales have grown robustly over the past year.
- **Reebok** receives offers from **Authentic Brands, Wolverine (WWW)** valuing the company at over \$1B, per NY Post
- **MasterClass** has raised another \$225M, says CNBC, and the online learning company is now at a \$2.75B valuation
- **Reckitt Benckiser** is moving forward with plans to sell their infant formula business in China, says Reuters

On the Chart

GIS shares flagging above their 8-EMA and just above the prior range breakout with room above \$64.25 out to \$66 and the 2020 highs

Financials

- **Point72** is exploring blockchain and crypto investments, per Bloomberg, but the firm has no set plans yet
- **PYPL** is buying Happy Returns, a company that helps customers return items bought online, says CNBC
- The WSJ looks at how banks are making it easier to get **credit cards and auto loans**. They note some caution as financial institutions are lowering credit score requirements and offering more generous terms

Hawk Database

BIIB a name holding up well into their June PDUFA and yesterday buyers in the June \$320 calls with the October \$400 calls sold, 2000X

Healthcare

- **BIIB, Envisagenics** announce RNA advancement collaboration

Energy & Materials

- **Graphic Packaging (GPK)** is buying AR Packaging for \$1.45B. The company produces fiber-based consumer packaging
- **PLUG** concluded their financial re-statements and found no material changes; the company did identify weakness in controls over reporting; sees Q2 at \$102M vs \$106M est.
- **VLO** was granted a Jones Act waiver following Colonial Pipeline outage, Reuters reports
- **BLNK** issues 'going concern' notice in 10-Q

On the Chart

VLO has held up well and above yesterday's highs near \$81 can make a nice move out to \$88+

Industrials

- **Canadian National (CNI)** enhances **Kansas City Southern (KSU)** proposal to \$325 per share (or ~\$200/cash and 1.129 shares of CN). CNI sees deal completion in 2H22
- **Automakers** are expected to lose out on \$110B in revenue in 2021 due to the chip shortage, says Reuters. This is up from \$61B prior as they now expect around 4M fewer cars
- **NIO** is opening a store featuring lifestyle products on **Alibaba's (BABA)** TMall, per SCMP
- **GM Cruise** expects to begin production of its autonomous shuttler in early 2023, per CNBC
- **FSR, Foxconn** sign framework deals for EV development program; Foxconn expects meaningful EV profits by 2023

Tech/Telecom

- **Toshiba** formally announces a strategic review, per Reuters, as they look for ways to enhance shareholder value
- **TSM** is aiming to double down on US chip factories now that EU talks have faltered, says Reuters. They could spend tens of billions more into facilities in Arizona and elsewhere
- **AMD** is planning to buy \$1.6B in wafers from Global Foundries through 2024, per Reuters. Under the new agreement, AMD will be on the hook to pay some portion of the difference if they do not hit their purchase targets during that time
- **AAPL** is cutting VCSEL die sizes for 3D sensors, says Digitimes, a move that will help the vendor sharply cut production cost but may reduce total wafer output for such chips
- **NFLX** was outpaced by the newer sub services in Q1, says FT, as DIS, HBO Max, and VIAC all added more new users
- **PINS** is exploring live streaming content, says Tech Crunch, wherein creators can engage with visitors better
- **Hon Hai** says the chip shortage will likely be worse in Q2, per Bloomberg
- **PAYC** raises buyback plan to \$300M

Utilities

- **FE** is considering divestitures to raise cash instead of selling more stock, says Reuters. The company gave Carl Icahn board seats recently

On the Chart

FE relative strength lately and above May value at \$38 can see new highs and continue trending

Analyst Notes

Upgrades

- **SNOW** raised to Buy at Goldman; Given the company's strong competitive positioning, we continue to view Snowflake as well positioned to capitalize on a generational shift of data and analytics to the cloud, with strong secular tailwinds including cloud adoption, big data, AI/ML, and secure data sharing which we expect will drive durable growth for the foreseeable future.
- **CHDN** raised to Buy at Jefferies calling it one of the best growth stories in Gaming and arguing that drivers that include continued growth in the historical racing machine business in Kentucky, growth in Illinois, top line growth in the Kentucky Derby and margin benefits in regional casinos remain intact
- **ABNB** raised to Overweight at Wells Fargo
- **DASH** raised to Buy at Truist; Raised to Overweight at Wells Fargo
- **TUYA** raised to Buy at BAML
- **VTNR** upgraded to Buy at Stifel
- **GRWG** upgraded to Buy at Roth Capital
- **U** raised to Outperform at OpCo
- **UTZ** raised to Overweight at Stephens

Downgrades

- **LITE** cut to Neutral at JPM, Lumentum can participate in the robust growth in Ttlecom optical components, as well as long-term growth opportunities in Automotive LiDAR, but in the meantime, the company faces headwinds in the near term from moderating 5G infrastructure-led demand in China as well as in the near to medium term from moderating growth opportunities in the 3D sensing markets for smartphones
- **Danone** cut to Sell at Goldman, analyst has near-term concerns regarding consensus earnings expectations due to demographic declines in the company's key geographies, most notably China, where new births fell by 18% in 2020
- **BLFS** cut to Hold at Benchmark
- **TX** cut to Sector Perform at Scotiabank
- **EXR** cut to Market Perform at BMO

Hawk Database

SNOW has large buys of 5000 June \$240 and June \$250 calls in OI. It still has earnings to report and Goldman notes a likely early June Analyst Day as an upside catalyst.

OptionsHawk Market Blitz

Initiations

- **MDB** started Buy at Goldman, \$310 target; With strong developer mindshare and building momentum in Atlas, the company's hosted database-as-a-service offering, MongoDB is well positioned to continue to capture market share in one of the largest and most strategic TAMs in enterprise software. As digital transformation and public cloud adoption remain top priorities, we believe MongoDB is well positioned to capitalize on growth from net new workloads and re-platforming of legacy applications.
- **LYV** started Outperform at Wolfe, Live Nation is poised for a multi-year cycle of strong growth as re-opening accelerates with added benefits of a favorable supply / demand and a structurally stronger margin profile emerging from the pandemic
- **COIN** started Overweight at Piper, company has the ability to grow organically through both new product offerings supporting additional cryptoassets, and it faces positive industry trends
- **ASML** started Outperform at CSFB
- **FBRX, ALLO** started Buy at B Riley
- **SWI, DBX** started Sell at Goldman
- **PUBM** started Outperform at RBC

Hawk Database

LYV buyers this week in the June \$80 and \$82.50 calls, over 2000X each, and could continue to see a lift as more concert tours are announced (6-7 majors this week already)

Other Notes

- **WIX** sell-off is overdone, says Citi. The firm believes Wix continues to be well positioned to benefit from increasing digitization and the shift of commerce online
- **TWLO** sell-off is a buying opportunity, says Mizuho, with its core business remaining strong and post-pandemic growth expectations now appropriately recalibrated, Twilio has laid the foundation for durable, profitable 2022 growth following a planned investment year in 2021
- **ZM** sell-off is a buying opportunity into Q1, says Mizuho, as the analyst expects Zoom to deliver outsized sales growth, driven by better than expected renewals, strong enterprise expansion and revenue per user growth from up-sell, highlighted by Zoom Phones and Zoom Rooms
- **DE** target raised to \$415 from \$400 at Citi, the demand outlook for Deere's high-margin large agriculture business is shaping up to be the best he has seen in nearly a decade. Farmer optimism is being supported by a 80% rise in U.S. cash corn prices since mid-December and soybeans at multi-year highs
- **TSLA** defended at Baird & MSCO

Hawk Database

WIX buyer yesterday of 1,150 June \$240 calls for \$8.80 late in the day

Trade Ideas

ConAgra (CAG) shares forming a nice weekly bull flag above the 10-week MA and just under the 2020 highs. A big volume shelf sits at \$38.25 and above shares have a measured move out to \$42. CAG has held up well despite inflationary concerns and they're coming off a strong quarter driven by investments in frozen, snacks, and staples



Technical Scans

Inside Days: ARNC, QRVO, ADBE, SNPS, STLD, DHI, PPG, CE, CPRI, AME, APTV, EMN, CARR, LPLA

Bull Reversal Days: OLED, ANET, GNRC, UNH, TMO, LULU, YETI, SMG, TSM, TRMB, LOGI, PAYC, CZR, SBUX, OTIS, HON, LHX, DGX, DLR, CB, CLX, HELE, STZ, SAM, RACE

Ready to Run: PH, LYV, CIT, BAH, SSNC, CASY, SLGN, ZGNX,

Small-Cap Options Flow

Champion-X (CHX) with 3,500 July \$25 calls bought yesterday for \$2.40 to open, a sizable trade in the name that has held up well recently. CHX doesn't have a lot of other notable open interest. Shares are consolidating above the 8-EMA and just under the March highs with a weekly range breakout targeting \$30. The \$4.75B company trades 25X earnings, 2X sales, and 18.2X cash. CHX is the new company formed by the merger of EcoLab's upstream business and Apergy. They provide oilfield tech services including reservoir solutions, production solutions, and water treatment. CHX has been working on paying down debt since the merger and so far has retired about \$220M or 20% of the outstanding at the time of the deal. CHX sees a lot of opportunity to expand digital revenue streams in 2021 as well as leverage their global footprint for more International sales. Analysts have an average target for shares of \$19 with a Street High \$29. BAML with a Buy rating for shares. The firm thinks their FCF and International leverage remain underappreciated. The firm likes CHX for a number of reasons including : "(1) 40% of revs are tied to early cycle int'l production recovery, (2) '22 FCF yield of 7.0% vs 4.5% for capital light OFS peers and (3) potential dividend catalyst in early '22." On the last note, they highlight that a dividend could potentially start conservative and easily grow (something like \$0.55 to \$0.65). Short interest is 2%. Hedge Fund ownership fell 10.5%. Gates Capital a top holder with 8.5M shares.

Extras

Fluor (FLR) with 2000 May \$17.50 calls bought \$1.85 into the close

International Gaming (IGT) with 15,000 June \$23 calls opening \$1.30 as June \$20 adjust

JD.com (JD) late day seller of 2000 January 2023 \$65 puts for \$10.50

10X Genomics (TXG) with 500 May \$150 puts opening for \$13.95 as the \$175 puts roll down

Groupon (GRPN) with 500 June \$55 puts sold to open for \$10.43, the May positions rolling out

Open Interest Checks

Ticker	Contract	OI Checks		
		Prior OI	New OI	OI Change
UBER	August \$50 Calls	15,479	48,399	212.68%
FEYE	September \$20 Calls	2,001	5,061	152.92%
SPY	September \$377 Puts	3,655	7,740	111.76%
PAGS	November \$40 Calls	2,001	4,006	100.20%
GM	June \$57.5 Calls	9,578	18,996	98.33%
BABA	November \$190 Puts	2,389	3,598	50.61%
CHWY	January \$75 Puts	3,451	2,659	-22.95%
WEX	July \$210 Calls	1,066	216	-79.74%

What They're Saying

Yeti (YETI) earnings call on new products driving growth... “And color continues to be a powerful tool at stoking new and existing interest across a range of products. This spring, we are particularly pleased with the launch of our new Prickly Pear colorway. Bags were a clear focus with the debut of 3 sizes of backpacks, 2 size duffels and 2 sizes of wheeled soft-sided luggage. Supported by our go-to-market strategy, the lineup received strong recognition from a range of media publications. Men's Journal stated that right out of the box, the precisely what you'd expect from YETI: solid, sturdy, handsome, thoughtfully designed and so damn well made. In addition to bags, we launched the Rambler 46-ounce bottle, which is performing well and on trend given the desire for large capacity bottles. We also refreshed our spring apparel assortment, including continued evolution to introduce new, more inclusive fits. In the current quarter, we also debuted our limited release King Crab Orange colorway to a positive market response as you may have seen in the social sentiment.”

Stanley Black & Decker (SWK) Growth Summit discussing growth drivers... “Electrification and cordless has become a keen focus for us as both the market adoption of these products and the demand for them are accelerating. In Power Tools, Outdoor Products and in Engineered Fastening, the benefits today and in the future are significant. Two great examples of why this matters are pictured here on the slide. In the automotive world, the transition to electric and hybrid electric vehicles represents a 3 to 6x dollar-per-vehicle content

OptionsHawk Market Blitz

opportunity for us versus traditional combustion-powered vehicles. We expect that the market inflection point will occur in or around 2026, when we believe global production of EVs and hybrids will likely represent the majority of vehicles produced. And as this shift occurs, approximately 27 million of these vehicles are likely to be produced annually, at 3 to 6x content opportunity versus our current recurring revenue of \$10 per vehicle, the future annualized potential is measured in billions. The second opportunity is outdoor power equipment electrification, where battery-operated products are safer, deliver significantly lower emissions and are much quieter versus their gasoline-powered counterparts. MTD plus SBD is the ideal combination to electrify this \$25 billion and growing market. Our brands, channels and capabilities in battery technology, combined with their prowess in equipment manufacturing and product innovation, set us up nicely to capture this disruptive opportunity. And even before MTD, our existing outdoor business will likely reach \$900 million of revenue in 2021, up approximately \$250 million or 38% versus last year. We are already benefiting from our multiyear relationship with MTD, and we intend to exercise our option to acquire the remaining 80% at a very attractive all-in 7 to 8x EBITDA multiple, with a window that opens this July. In the coming years, you will see a remarkable wave of innovation from the collaboration between SPD and MTD. Stay tuned.”

Eaton (ETN) at Goldman Conference discussing the strong truck market... “Class 8 has been just extraordinarily strong. I mean, production was up some 12% in Q1, but the orders, at least through April, I think the orders were up close to 300%. And our call on the year is roughly a 30% -- 36% increase in North America Class 8 truck, which is obviously the most important market for us. And so yes, the market is doing extraordinarily well at this point in time. There are already -- many of the build slots for this year are already filled. They're already booking orders for next year. And so I think, absolutely, we expect that this market will be strong, certainly, again, going into 2022. And even this year, by the way, the market would be even stronger if there weren't supply chain constraints. The big issue right now is that industry as well as light vehicles really being impacted by the semiconductor issue that we're facing right now. And so lots of strength across the board in the commercial vehicle market, not only in the U.S., but really around the world. China, Europe, South America, every commercial vehicle market really in the world right now is doing very well. In light vehicle, as you saw the SAAR for April, 18.5 million cars in the U.S., running really at record high levels in terms of what was actually sold in April. Inventory levels down to 32 days of inventory, levels that I don't know that we've ever been at. The industry typically likes to run it about 70 to 75 days of inventory. So I'd say, yes, it's another market where we think the light vehicle market is well positioned to have a very good run here for the next few years. And you look at consumer savings levels, consumer saving levels, once again, at record high levels in the U.S. And so we think also light vehicle markets are well positioned to perform well for at least another few years or so.”

Airbnb (ABNB) earnings call on the potential for longer stays for business travelers with the changing travel environment... “Yes. I mean in New York City, in Los Angeles, a number of these cities, we almost have as many nights booked for stays longer than 28 days as we do stays under 28 days. In New York City, actually, the majority is over 28 days now. So I think that there's a huge opportunity. If you think about where business travel is going in the future, it seems completely intuitive to me that as companies offer more flexibility, more people are going to live around the world, but they're not all going to want to live remote. They're going to have to come back to visit. And so I think you're going to start to see longer stays. I think in addition to longer stays, you may also see business travelers traveling together. So let's say 3 different employees work in 3 different cities, and they have to come back to headquarters. They may not all get 3 different hotel rooms at Airbnb. They might get one house. They can split the cost. They can eat around the dinner -- the breakfast table in the morning. So I think the things that benefit Airbnb at business travel is group travel and longer-stay travel. Those 2 things, I think, are disproportionately beneficial to doing home, and these are general tailwind for business travel.”

OptionsHawk Market Blitz

DoorDash (DASH) earnings call discussing other opportunities in large & underpenetrated markets... “With respect to some of the new categories, we’re very excited about our progress. I mean growing 40% quarter-on-quarter, our nonrestaurant orders now are totaling over 7% of our total orders, and again, this happened in a pretty short period of time. We really, in earnest, launched our second category outside of restaurants in convenience, which where we’re now the market leader in just under a year. So things are certainly ahead of plan and exceeding our expectations there. With respect to, I think, the broader question of how this plays out and unfolds, as -- to remind all of us on the call, as I mentioned during our -- actually, our very first earnings call, we’re really investing in 4 areas. We’re investing certainly to grow our core business, and we’re seeing a greater strength there, especially as we saw record engagement in the quarter as well as our investment into other use cases, such as pickup, where we’re also the market leader now, or the office business like DoorDash for work. We are investing certainly into new categories. We’re also investing into the buildout of our platform. So DoorDash is as much a marketplace or app like grocery orders as well as a platform that gives you products like DoorDash Drive or DoorDash Storefront to help merchants build their own channels and then finally, international market growth. And so those are the 4 buckets of where we’re investing, and we’re very, very excited by both how things are progressing in all of these areas as well as what that might mean for diversification in the future. And Youssef, if I could just add to that. I mean some of the markets we mentioned, whether it’s convenience or grocery, these are extremely large markets: convenience is \$200 billion, \$250 billion; grocery is an \$800 billion to a \$1 trillion market. But the thing that’s unique is both of these have very low penetration rates. And if you think about our platform and the success that was enjoyed in convenience up to this point, despite launching that business 12 months ago, it’s because of the extensibility of our platform. It’s because we take a hybrid approach that pairs together not just third-party partners in our marketplace, like CVS, like Walgreens, like 7-Eleven, in fact, Rite Aid, that we recently announced, but also we’re bringing our own first-party selection to consumers. And that’s in order to provide consumers a choice and serve them in underserved neighborhoods. And so penetration is extremely low today and there’s a lot of runway for growth.”

Earnings Review

Ticker	Stock	EPS Actual	EPS Est.	Revs Actual	Revs Est.	Y/Y Change	Notes
ABNB	Airbnb	-\$1.95	-\$1.14	\$887.00	\$717.99	5.40%	
DDS	Dillard's	\$7.25	\$2.16	\$1,328.50	\$1,270.07	72.80%	
DASH	DoorDash	-\$0.34	-\$0.14	\$1,077.00	\$994.62	197.50%	
FTCH	Farfetch	-\$0.22	-\$0.23	\$485.08	\$454.79	46.40%	
GLOB	Globant	\$0.83	\$0.80	\$270.20	\$259.64	41.00%	FY Above
GDRX	GoodRx	\$0.07	\$0.07	\$160.40	\$160.61	20.20%	FY In Line
NEWR	New Relic	-\$0.27	-\$0.46	\$172.67	\$166.60	8.10%	FY In Line
PLT	Poly	\$1.23	\$0.93	\$478.00	\$454.93	16.90%	FY Below
PUBM	PubMatic	\$0.09	\$0.00	\$43.60	\$39.48	54.10%	FY Above
DIS	Walt Disney	\$0.79	\$0.27	\$15,613.00	\$15,986.10	-13.40%	

OptionsHawk Market Blitz

DASH – Missed on EPS and Beat on Revs – Total Orders grew 219% year-over-year to 329M, and marketplace GOV grew 222% year-over-year to \$9.9B. The company said, "Consumer behavior on our Marketplace remained attractive in Q1, as we drove strong trends in cohort level order rates saw increased demand in non-restaurant categories, and grew DashPass subscribers on both a Q/Q and Y/Y basis. We believe these results reflect the value we provide to consumers across the vectors of selection, quality, and affordability. As we continue to expand our Marketplace beyond restaurants, our goal is to improve the consumer experience by executing against these same vectors, but in a broader fashion; providing selection across multiple categories, quality and consistency in the experience with all partner merchants, and affordability that spans delivery, pickup, and at-work use cases."

FTCH – Beat on EPS and Revs – Farfetch is off to a tremendous start in 2021 with stronger than expected acceleration in the business in the first quarter and higher full-year growth expectations than initially anticipated. Our brand partnerships have never been stronger, and our customer and brand building initiatives are resonating well to drive awareness of our value proposition and retention of our valuable consumers. I am also very enthused by the positive consumer reaction to our recent launch on Tmall's Luxury Pavilion, and the momentum building behind our Luxury New Retail vision as we see it being adopted by luxury partners around the world. I am more confident than ever in our position to go after the significant growth opportunities we see as a digital enabler of the global luxury industry - a nearly \$300 billion opportunity which we remain laser-focused on and plan to continue investing behind to deliver significant value over the long-term

DIS – Beat on EPS and Missed on Revs – Q2 Disney Media and Entertainment Distribution revenue \$12.44B, up 1% year-over-year. Reports Disney Parks, Experiences and Products revenue \$3.17B, down 44% year-over-year. The company said: "Since late in the second quarter of fiscal 2020 and continuing into fiscal 2021, COVID-19 and measures to prevent its spread have impacted our segments in a number of ways, most significantly at Disney Parks, Experiences and Products segment where our theme parks were closed or operating at significantly reduced capacity and cruise ship sailings and guided tours were suspended. In addition, we have delayed, or in some cases, shortened or canceled, theatrical releases, and stage play performances have been suspended since March 2020 with a limited number of performances returning in the first quarter of fiscal 2021. We have experienced disruptions in the production and availability of content, including the cancellation or shift of key live sports programming from fiscal 2020 into the first quarter of fiscal 2021, as well as the suspension of production of most film and television content. Although most film and television production resumed beginning in the fourth quarter of fiscal 2020, we continue to see disruption of film and television production, as well as live sporting events, depending on local circumstances. We have incurred, and will continue to incur, additional costs to address government regulations and implement safety measures for our employees, talent and guests. The timing, duration and extent of these costs will depend on the timing and scope of our operations as they resume. We currently estimate these costs may total approximately \$1 billion in fiscal 2021. Some of these costs may be capitalized and amortized over future periods. The most significant impact on operating income in the current quarter from COVID-19 was at the Disney Parks, Experiences and Products segment due to revenue lost as a result of the closures and reduced operating capacities. We estimate an additional \$1.2 billion impact on the Disney Parks, Experiences and Products segment operating income compared to the prior-year quarter. The impacts of COVID-19 on our Disney Media and Entertainment Distribution segment, compared to the prior-year quarter, were less significant as lower revenues across film and television distribution windows due to the deferral or cancellation of significant film releases were largely offset by a reduction in the related costs

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.

Content is for informational and educational purposes only. You alone will need to evaluate the merits and risks associated with the use of this content. Decisions based on information provided are your sole responsibility, and before making any decision on the basis of this information, you should consider (with or without the assistance of a financial and/or securities adviser) whether the information is appropriate in light of your particular investment needs, objectives and financial circumstances. Investors should seek financial advice regarding the suitability of investing in any securities or following any investment strategies.

No reference to any specific security constitutes a recommendation to buy, sell or hold that security or any other security. Nothing constitutes investment advice or offers any opinion with respect to the suitability of any security, and the views expressed on this website should not be taken as advice to buy, sell or hold any security. In preparing the information contained in this website, we have not taken into account the investment needs, objectives and financial circumstances of any particular investor. This information has no regard to the specific investment objectives, financial situation and particular needs of any specific recipient of this information and investments discussed may not be suitable for all investors.