



## Inside Today's Blitz

- China Economic Data Falls Short of Expectations in April After Q1 Boom
- White House, EU Expected to Announce Truce Over Metals Trade Battle
- **DISCA**, **T** to merge media assets; **HOME** top shareholder opposes deal with Hellman; **AON** divests some EU businesses to satisfy regulators; **CLVT** to buy ProQuest for \$5.3B

## Market Outlook

Futures indicating a lower open for the day with the **Dow** off by 35 bps, the **S&P** off by 33 bps, and the **Nasdaq** off by 37 bps. The **Russell** is down 76 bps. Energy is flat with **WTI** down around 10 bps. **Natural Gas** is up 2.8%. **Gold** and **silver** both higher today with the latter up 1.35%. **Copper** is up 45 bps. The **dollar** is down 15 bps. **Bonds** are up 10 bps. **VIX** is 19.95. It has been a quiet weekend for news with China's April economic data in focus this morning. Industrial production and retail sales both fell short of expectations while we continue to see inflation data overshoot to the upside. This comes as Asia is also grappling with another surge in COVID with Taiwan considering new lockdown measures and Singapore closing schools. Elsewhere, bitcoin had a volatile weekend falling 8.5% on Sunday after Elon Musk implied on Twitter that Tesla had sold its holdings. In Washington, President Biden continue to push for his massive infrastructure plan but it looks more likely that he'll try to push through several smaller deals that will limit the tax implications. Iron ore jumped back above \$200/ton which is dashing some hopes of inflation relief from last week.

Asian markets are mostly positive today with the Hang Seng up 59 bps, Shanghai up 78 bps, and the Nikkei down 92 bps. In Europe, the major indices are mostly lower this morning with the DAX down 33 bps, CAC down 40 bps, and the FTSE down 63 bps. We're seeing outperformance from staples and retail while industrial, energy, and financials lag. **Ryanair** the only real notable earnings report today, and shares are basically flat despite a positive outlook. **Bayer** is down around 2% after they lost their second appeal over the Roundup weed killer. **Aareal Bank** is down slightly after announcing plans to cut their board size. **Saint Gobain** is down modestly after the French building materials company bounce Romania's Duraziv. **Diploma** up 9% in London after the seal and cables maker reinstated their dividend and boosted FY guidance.

## Calendar

**Today...** Empire State Mfg., Fed's Clarida and Bostic speak; **Earnings After the Close:** DNMR, XONE, FSR, GAN, TME

**Tomorrow...** Housing Starts, API Inventories; **International Data:** EU GDP; **Earnings Before the Open:** BIDU, BZUN, DOYU, HD, HUYA, IQ, KC, M, NTES, SE, WMT; **Earnings After the Close:** AGYS, STE, TTWO, TCOM; **Analyst Days:** ADS, RTX; **Conferences:** Goldman Staples (BLL, BUD, CCEP, CELH, CHD, CL, DEO, ENR, EPC, FRPT, GIS, GS, IFF, INGR, KHC, KO, MDLZ, NOMD, PG, REYN, SAFM, SAM, SJM, SMPL, STZ)

## Overnight Markets

VIX	20	4.54%
Natural Gas	3.043	2.77%
Silver	27.73	1.33%
Gold	1849.7	0.63%
Copper	4.673	0.40%
Bonds	156.97	0.10%
US Dollar	90.2	-0.13%
Oil (WTI)	65.26	-0.17%

## Technical View



### Key Levels to Watch

S&P futures are giving back some of Friday's gains today as we slip back near 4150. VWAP has been declining since the Sunday open and a brick wall at 4162.5 around the EU open. Our overnight high is 4178.75. This 4,155 area will be important to watch with support below at 4132 and then 4110.5. A bounce back targets 4175 and then 4197.50 with a stretch up to 4220 if we get going again.

## Economic Data

- **Japan** PPI was 3.6% vs 3.1% est.
- **China** home prices rose 0.48% vs 0.41% prior
- **China** industrial production was 9.8% vs 10% est.
- **China** retail sales rose 17.7% vs 25% est.
- **Italian** CPI was 1.1%, as expected

## Macro News

- **China** regulators are launching an investigation of stock market manipulation, says SCMP
- **Iran** plans to ramp up crude oil sales, Bloomberg
- **US, EU** set to announce truce in metals trade battle, per Bloomberg, and the US will not double tariffs on goods in retaliation for aluminum and steel imports
- The full **SALT deduction** may not be restored but it looks likely the \$10,000 cap may be raised, says The Hill
- Corporate executives do not believe The President will pass his **corporate tax hike plans**, per Politico
- **Buybacks are set to boom in Q2**, says WSJ, as companies are flush with cash and banks can expand their buyback programs for the first time in years. Companies have authorized \$504B in buybacks through May, the fastest pace in 22 years

### Movers

**Gainers: DISCA 15%, PLBY 13%, CLOV 8.5%, VIAC 5%**

**Losers: MARA -10%, RIOT -9%, CAN -7%, COIN -2.5%**

### Insider Buying

ATVI, UNVR, PFSI, CNNE

### IPO Calendar

**Oatly (OTLY)** issuing 84.4M shares at \$15-\$17; world's original and largest oatmilk company

**Procore (PCOR)** issuing 9.5M shares at \$60-\$65; Leading provider of cloud-based construction management software

**Squarespace (SQSP)** direct listing; All-in-one platform for businesses and independent creators to build an online presence

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## Sentiment

- **IPO market at a critical juncture**, says WSJ, as risk sentiment is getting curtailed by inflation concerns. The IPO market raised a record \$168 billion in 2020 and has already raised a staggering \$158 billion in 2021
- **The day-trading frenzy of late 2020 has died down**, says FT, as COVID restrictions are lifted and more young investors shift focus to crypto

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## Stock-Specific News

### Barron's Wrap

- **Whirlpool (WHR)** the best way to play home appliances demand and considering Whirlpool's financial progress, market position, and earnings power, the stock is still inexpensive
- **DuPont (DD)** is a buy as shares look like a smart play on the coming phase of the economic recovery as it begins to play catch-up
- **Realogy (RLGY)** is a bargain. The owner of familiar brands like Century 21, Coldwell Banker, and Corcoran, has rebounded from pandemic lows but still trades at just a third of its all-time high
- **Stanley (SWK)** benefits from electric lawn tool growth. Tools that run on batteries are less noisy and noxious than those that use gasoline, and the shift to them is well under way

### On the Chart

**DD** a nice chart with shares holding up well and above \$84 triggers out of a bull flag with room to \$88-\$90

### Consumer

- **AT&T (T), Discovery (DISCA)** combine media assets. The deal, which would include CNN, would continue consolidation in a media business buffeted by cord-cutting and streaming. AT&T will receive \$43B in a combination of cash and debt securities
- **HOME** largest shareholder will oppose their deal with Hellman & Friedman, says WSJ. CAS Investment owns 17% of shares and thinks the price being paid is too low
- **DIS** has updated their mask mandate for parks like DisneyWorld and Disneyland after the CDC, says Reuters
- **KO** is planning to discontinue their energy drink initiative after disappointing sales, per WSJ
- **DDS** announces new \$500M buyback, dividend
- **VIAC** has cleared all legal disputes with former CEO Moonves, per AP
- **Crown** rejects the \$6.5B bid from Blackstone, per Bloomberg
- **Danone** is close to naming a new CEO, says Reuters

### Sympathy Movers

**VIAC, AMCX** potential movers on the deal between DISCA and AT&T

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- **TPCO** is likely to be sold to Alden, says FT
- **HEXO** to acquire **48-North** for \$50M
- **BYND, Pizza Hut** to expand global partnership

## Financials

- **AON** will sell its retirement, investment business in Germany to LCP in agreement with the EC to settle merger concerns for their **Willis Towers Watson (WLTW)** deal
- Payment processor **Marqeta** filed for an IPO on Friday, says CNBC. The company has been valued at \$16B to \$17B in private rounds
- **KKR** to buy consultancy firm **ERM** for \$3B, says Bloomberg. ERM advises clients on the environmental and social impact of their operations
- **GS** is rapidly building up headcount in China and Hong Kong, says Bloomberg, as they look to win more business
- **CS** may be forced to compensate clients for some losses over the Greensill scandal, says FT
- **SQ** has no plans to buy any more bitcoin, per Bloomberg
- **US banks** could cut up to 200,000 jobs over the next decade, says FT
- **PNC** receives regulatory approval for BBVA USA takeover
- **Tokyo Stock Exchange** is considering longer trading hours, per Nikkei, in a bid to lure more foreign money

### On the Chart

**AON** consolidating the strong post-earnings move well with shares back above the 8-day last Friday and above \$257 can continue higher with size bullish call open interest

## Healthcare

- **Glaxo (GSK)** holders back Chairman in face of Elliott stake, says Bloomberg. BlackRock, Glaxo's biggest investor, as well as Dodge & Cox and Royal London Asset Management have all pledged their support
- **GSK, SNY** announce positive results from COVID vaccine study. Their candidate "achieved strong rates" of neutralizing antibody responses
- **APLS** announces FDA approval for EMPAVELI, the first and only targeted C3 therapy for treatment of adults with paroxysmal nocturnal hemoglobinuria
- **SEEL** reports positive topline data from open-label study of SLS-002 in patients with MDD
- **EHTH** to receive \$225M minority investment from HIG Capital
- **PKI** will acquire IDS for \$155M, an in-vitro diagnostics company
- **CRL** to acquire Vigene Biosciences for \$292.5M in cash; a gene therapy contract development and manufacturing organization providing viral vector-based gene delivery solutions
- **ARPO, Aadi Bio** to merge

### Hawk Database

**GSK** recent bullish write up with buyers active in the August \$36, \$39, and \$40 calls

### On the Chart

**APLS** forming a wide base since January under \$50 and a breakout higher today has a lot of room for upside with the first target around \$57.50

## Energy & Materials

- **MPC** commences dutch auction tender to buy up to \$4B of its common stock at no more than \$63 and no less than \$56/share
- **Iron ore** rebounds as China mills churn out steel at record pace, per Bloomberg. China crude steel output hit monthly, daily records in April
- The WSJ looks at **lumber** and how companies are not expanding sawmills or capacity despite the record price surge due to longer-term cost overhangs. Notes **WY, WFG**

## Industrials

- **Canadian National's (CNI)** bid for **KSU** is said to pose a greater risk to competition than the bid from **Canadian Pacific (CP)**, says the DOJ
- The FAA says that **Boeing (BA)** 737 Classic planes need to be checked for wire failures, per Reuters
- **Ryanair** is flat in Europe after earnings, per Reuters, but the company was optimistic on a bounce back in bookings
- **STLA, Foxconn** announce strategic partnership

## Tech/Telecom

- **Bright Machines** is nearing deal to go public via SPAC with **SCVX**, per WSJ. The company created a platform that uses artificial intelligence and robotics to automate tasks in electronics manufacturing
- **Clarivate (CLVT)** to acquire **ProQuest** for \$5.3B, a leading global software, data and analytics provider to academic, research and national institutions, from Cambridge Information Group, a family-owned investment firm, and other partners including Atairos
- **Gojek, Tokopedia** have agreed to merge and form a new company called GoTu per Reuters. The Indonesian tech-giant would have ecommerce, delivery, and more and be the largest deal in the country's history
- **AAPL** is preparing to launch a high-fidelity streaming music product, says MacWorld, taking on **SPOT**
- **INFY, CTSH** are struggling to keep top talent as demand grows within India, says Nikkei. Both companies could face margin pressure as salary hikes drive up costs
- **TWTR** upcoming subscription product will cost \$2.99/month and include features like undoing tweets, per MacRumors
- **JD** seeking \$3.4B for their logistics arm's Hong Kong IPO, says Bloomberg.
- **MSI** to rebrand as LifeWorks
- **IAC** shareholders approve Vimeo spin-off
- **ONDS** to buy American Robotics for \$70.6M
- **SK Hynix** is expanding 8-inch foundry capacity, says Digitimes. The company believes they can double output

### On the Chart

**STLA** narrow weekly flag poised to break out above \$19 and continue its run

### On the Chart

**CLVT** small flag forming around \$28.50 right now with room up to the untouched Feb. VPOC at \$30

### Hawk Database

**TWTR** buyers recently in the January \$52.50 calls and December \$52.50 calls

- **Taiwan supply chain, global chip supply** in jeopardy as COVID cases surge in the country, per Digitimes

### 13F Highlights

- **Triam** adds to FERG, IVZ, GE; cuts stake in MDLZ, PG
- **Soros** adds to BIDU, VIPS, TME, IFF, OPEN; cuts PLTR, SLQT, NLOK, DRI
- **Third Point** adds to CSGP, UBER, DD, DELL, SHOP, PSFE, EL, UNH, INTU, MSFT; cuts BABA, FIS, ADBE, CRM, PLNT
- **Starboard** adds to ELAN, EHTH, MAAC, CCX; cuts AAP
- **Icahn** adds FE, BHC, DAN, XRX, TEN; cuts HLF, OXY

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## Analyst Notes

### Upgrades

- **TCOM** raised to Overweight at MSCO, sees an upward revenue revision cycle beginning in Q2, driven by normalized domestic travel. Over the next 12 months, the Street will price in a recovery of outbound travel in 2022 and 2023, which will significantly drive Trip.com's revenue growth and operating margin
- **CCEP** raised to Buy from Underperform at BAML; recovering mobility and €350-395MM of savings/synergies thru FY24 offer visibility on sales, profit productivity. Divestiture of Amatil's non-core brands could also deliver up to €1.0Bn of cash towards returning to sub-3.0x net debt/EBITDA.
- **CMI** raised to Buy at BAML; Deep dive on next 3-5 year cyclical and secular outlook leads us to upgrade post another big beat and raise. Upside to \$325. NA MDT truck share moving squarely higher, HDT share likely stable, hydrogen wins likely, New Power could be worth \$25+/sh.
- **OXY** raised to Buy at Soc-Gen
- **TXRH** raised to Buy at Deutsche Bank
- **PAAS** raised to Outperform at National Bank
- **OVV** raised to Buy at Mizuho
- **WMB** raised to Buy at Argus
- **AMWL** raised to Buy at Guggenheim
- **PLCE** raised to Outperform at Wedbush
- **BAP** raised to Buy at UBS
- **DISCA** raised to Buy at Citi

#### Hawk Database

**TCOM** will report 5-18 and has a lot of short puts in OI while the 7500 June \$36 calls bought in OI the most notable positioning

#### On the Chart

**CMI** consolidating nicely and has the 800 September \$280 calls bought on 1/21 for \$1M in open interest. Above \$270 shares can run to \$300.

## Downgrades

- **MRTX** cut to Perform at OpCo, the firm thinks Mirati will independently launch adagrasib in the U.S., and being roughly one year behind Lumakras with a less experienced commercial team, will not win adagrasib an equivalent market share to Lumakras
- **CWK** cut to Underperform at BAML on valuation, less exposure to cyclical capital market activity

## Initiations

- **PATH** started Overweight at KeyBanc; Started Buy at BAML; likely to continue consolidating \$60+ bn RPA market with comprehensive platform spanning entire BOT lifecycle. With rapid time to value, compelling ROI and applicability to broad use cases, believe solid 140%+ NRR is sustainable
- **DV** started Buy at Goldman; estimate the TAM for these products is at least \$10bn today, and along with the steady shift of ad spend to digital channels, we believe growing risks around online fraud and brand safety (particularly on social channels) will sustain steady structural growth in this category, helping to mitigate the cyclical swings of the advertising market
- **ZY** started Buy at Goldman; key to the equity story for ZY is first to validate their synthetic biology development and platform through the successful commercial launch and shipments of their first product Hyaline in Q1 of 2022.
- **KNBE** started Buy at Goldman; spending to address social engineering continues to lag the rest of the market while it remains a significant threat. We view KnowBe4 as the best positioned vendor in the market to address this threat.
- **ALGS, SKYT, KNBE** started Overweight at Piper
- **HALO** started Outperform at Leerink

## Other Notes

- **DECK** target to \$390 from \$365 at Pivotal into earnings; February was a cold month, which drove strong reorder activity for seasonal merchandise such as Ugg boots while the American Rescue Plan was signed after Deckers provided its outlook, meaning stimulus was likely a big tailwind late in the quarter
- **HOG** target to \$55 from \$39 at Citi, company has begun 2021 with strong Q1 results where North America retail sales were up 30% and market reaction to the new Pan American 1250 bike is strong



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- **XOM, RDS.A, BP, TOT, PSX, VLO, COP, PXD, HES, DVN, APA, MRO, MUR, FANG, XEC, CLR, OXY** estimates raised at Mizuho; The firm's prior bull case of \$70 per barrel of Brent is now the base case due to stronger than expected demand and an increasing likelihood that global demand hits pre-pandemic levels by Q4
- **ELAN** target raised to \$42 from \$39 at Citi, continues to see a low probability of a Seresto recall and was reassured by the analysis shared with the subcommittee, which concluded there was no evidence of a causal link between the active ingredients in Seresto and pet deaths
- **DKS** target to \$90 from \$75 at Baird

## Trade Ideas

**FireEye (FEYE)** shares sitting just below resistance of a multi-week base around \$20.75 and the top-end of April value. VWAP from the big jump higher in December is also right at Friday's highs around \$20.70 and TTM squeeze setting up on the daily. RSI is back above 55 and starting to move higher, ready to run. FEYE has been in the news lately with the Colonial pipeline hack and could see further positive attention with President Biden looking to beef up US cybersecurity efforts.



### Technical Scans

**Inside Days:** HD, IOVA, GH, ZS, TDOC, OKTA, AMD, MTCH, TWLO, ORLY, DXCM, ETSY, MKC, DPZ, NVCR, FIVN

**Bull Reversal Days:** GDRX, PDD, CVLT, AYX, NEWR, GSHD, GWRE, JD, MPC, ABMD, WIX, GOOS, OLO

**Ready to Run:** WH, CCL, XRX, PVG, WDC, FTNT, DAL, QDEL, WYNN, LUV, KSS, SAIA, CPRT, FEYE, CIT, ROST, GE, NXST, PLCE, JCOM, ALK, RARE, MTN

### IPO Profile

**DigitalOcean (DOCN)** shares have now pulled back from its initial post-IPO strength and looks to be one of the more attractive sustainable growth stories with strong unit economics. DOCN is seeing strong growth, addresses a large \$116B market opportunity, and has demonstrated strong operating leverage.

DigitalOcean is a leading cloud computing platform offering on-demand infrastructure and platform tools for developers, start-ups and small and medium-sized businesses, or SMBs. Its platform simplifies cloud computing, enabling our customers to rapidly accelerate innovation and increase their productivity and agility. Its customers use the platform across numerous industry verticals and for a wide range of use cases, such as web and mobile



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applications, website hosting, e-commerce, media and gaming, personal web projects, and managed services, among many others. Its focus on simplicity, community, open source and customer support are the four key differentiators of the platform. Unlike the hyperscalers, the tools are geared towards individual and small business developers, with less complexity and lower cost. DigitalOcean's cloud offering competes with both large cloud vendors such as AWS and Google Cloud, as well as smaller niche players including OVH, Vultr and Heroku. DOCN's pricing is consumption-based and billed monthly in arrears, making it easy for customers to track usage on an ongoing basis and optimize their deployments. DOCN's platform continues to evolve and open up new markets allowing for further growth within its existing customer base. Currently, the company has >570k individual and business customers in 185+ countries across various industry verticals. They have 14 data centers globally enabling their customers to deploy their solutions in multiple geographic regions. DigitalOcean's first product was the Droplet, a virtual machine to build, test, and grow developer applications in a flexible and secure manner. A key differentiator with the company's user experience is its educative website and developer community (>5M monthly unique visitors) which provides content and a place to share and learn from other developers.

Cloud computing is revolutionizing how companies across the globe develop and deploy applications. The cloud offers lower upfront cost and superior flexibility, extensibility and scalability as compared to on-premise software development environments. These benefits are especially valuable for start-ups and SMBs, as they typically have more limited financial resources, operational expertise and IT personnel. According to SlashData, the number of developers globally was 19 million in 2019 and is expected to grow to 45 million by 2030. There are more than 32 million SMBs in the United States alone, according to the World Bank, and likely 100 million globally.

The Infrastructure-as-a-Service (IaaS) and Platform-as-a-Service (PaaS) markets are two of the largest and fastest growing markets across all industries. According to IDC, the worldwide IaaS and PaaS markets for individuals and companies with less than 500 employees are estimated to be approximately \$44.4 billion in the aggregate in 2020. The 2020 IaaS market, which is comprised of compute and storage, was estimated to be \$31.9 billion. The 2020 PaaS market, which includes database management systems, application platforms and other platform services, was estimated to be \$12.5 billion. According to IDC, these combined IaaS and PaaS markets are expected to grow to \$115.5 billion in 2024, representing a 27% compound annual growth rate.

DOCN currently has a market cap of \$3.78B and trades 6.5X FY22 EV/Sales with revenues growing around 25% in 2019 and 2020 and seen growing 27-30% annually the next five years. DOCN is seeing improving net dollar retention rates, reaching 107% last quarter, and also steady growth in ARPU. DOCN is already profitable and EBITDA/EPS seen ramping strongly the next few years. Its Droplet offering has accounted for the majority of the company's revenues but newer products are seeing stronger uptake such as Managed Databases, App Platform, and Managed Kubernetes. Digital Ocean's capex is mostly comprised of server costs and should see leverage from increased scale over the next few years. Digital Ocean has very efficient sales & marketing motion, sales & marketing spend was just 10% of revenue in 2020, largely due to a highly-efficient self-service go to market motion and developer community which helps to lower the cost of customer acquisition.

DOCN's valuation looks attractive for a sustainable growth story operating in large markets with a differentiated offering and set to experience strong operating leverage and FCF margin inflection.

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## Extras

**Utz (UTZ)** late buyer of 1925 December \$30 calls up to \$1

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**Seagate (STX)** strong day and 1000 January 2023 \$65 puts sold to open for \$5.40

**REKOR (REKR)** with 1750 August \$7.50 calls bought for \$3.40

**Pure Storage (PSTG)** buyers of 1700 June 17.50 calls late day for \$1.65

**Tesla (TSLA)** with 10,000 June 4<sup>th</sup> (W) \$550 puts sold to open for \$23.50; **TSLA** also with 5000 July \$750 calls bought for \$11.25 as the \$650 calls roll up; **TSLA** also with 5,500 June 2023 \$1,000 calls bought for \$114 to \$115 to open in the afternoon, over \$66M

**Disney (DIS)** with 2000 October \$150 puts sold to open for \$3.80 to \$3.60 while the October \$145 and \$140 puts also seeing sellers to open

**Home Depot (HD)** with 5000 June \$350 calls sold to open down to \$1.55

**JP Morgan (JPM)** with 675 August \$165 puts sold to open for \$9.40

**Pfizer (PFE)** with 20,000 September \$44 calls sold to open down to \$0.63

**Roku (ROKU)** with 700 July \$310 puts sold to open for \$24 in a stock replacement

**Hasbro (HAS)** buyer of 3,500 May \$96/\$93 put spreads for \$0.80

**Convertible Bond ETF (CWB)** buyer of 6240 June \$80/\$72 put spreads for \$1.53

## Open Interest Checks

Ticker	Contract	OI Checks		
		Prior OI	New OI	OI Change
BABA	July \$220 Calls	3,472	7,336	111.29%
AUPH	July \$14 Calls	2,792	5,655	102.54%
IAC	June \$230 Calls	1,370	2,708	97.66%
STX	January \$100 Calls	1,154	2,130	84.58%
LNC	June \$72.50 Calls	3,409	5,948	74.48%
SCCO	June \$80 Calls	2,196	3,703	68.62%
BCRX	June \$12 Calls	2,311	3,811	64.91%
DKNG	August \$45 Calls	3,240	5,187	60.09%
TME	January \$15 Puts	20,513	32,718	59.50%
LVS	June \$60 Calls	13,973	19,621	40.42%
AAL	July \$22 Calls	6,834	8,979	31.39%
WIX	June \$240 Calls	1,473	1,900	28.99%
GM	September \$50 Calls	19,406	24,267	25.05%
NCLH	September \$27.50 Calls	4,105	4,962	20.88%

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## What They're Saying

**Viant Tech (DSP)** earnings call on CTV markets... “Viant has a massive and growing addressable market with several secular trends, providing us with significant runway for growth. We focus primarily on the \$259 billion U.S. advertising market, which is expected to grow at a 12% CAGR through 2025 due to the increasing focus on digital advertising. More specifically, the U.S. programmatic advertising market is growing at a 21% CAGR and is expected to represent 48% of total U.S. media spend by 2022. Additionally, the TV industry is undergoing significant disruption as Internet-enabled Connected Television has become the preferred vehicle for streaming video content. By 2024, 66% of the U.S. population is expected to be using Connected TV, which is resulting in a CTV ad spend to grow at a 25% CAGR and forecasted to be a \$27 billion market in 2025. We believe these secular trends and the continued adoption of our people-based approach, our patented Internet-connected household identification and our scale and expertise in connected TV directly attributed to our strong Q1 results. And this gives us confidence to raise our outlook for the full year of 2021. We calm the noise around big tech changes such as cookies and IDFA with 2 unique solutions. First, our people-based identification data framework allows marketers to incorporate e-commerce measurement. But unlike other DSPs, marketers can also measure in-store sales channels, a key advantage of our software. Second is our patented process. Internet-connected household identification, otherwise known as the Viant household ID. This is a leading competitive advantage for us in a world without cookies.”

**Coinbase (COIN)** earnings call on what's they're excited about over the next 10 years... “I think we're seeing crypto first be used for investment. People are trading it. That was kind of a stage 1. Stage 2 is crypto in financial services. And so that's where you are starting to see things like decentralized exchanges, DeFi decentralized borrowing and lending, decentralized insurance. And so I think that trend will continue and that you will see greater adoption of DeFi. And then I guess the third phase what we're going to see here in the future is really around crypto as an app platform. And so that could mean people using crypto as kind of like the next version of the Internet. They will build their application natively on blockchains even if they have nothing to do with financial services. And we're seeing some early signs of that. People are doing things like identity management, they are creating games, they are doing things like artwork with NFTs, very creative things like that that could be even used in a virtual world. Social sites like Reddit, for instance, has come out and said they want to use Ethereum in certain ways on their application. You could imagine new versions of social media being created on blockchains perhaps in a way where users own their own data, which could be interesting. And I think you'll see new forms of governance and voting, too, where people are creating new types of autonomous organizations where proposals can be voted on by people with these coins and all over the world coordinating on various problems and challenges. So that's just like a hint at what's happening.”

**Fox Corp (FOXA)** at the MoffettNathanson conference on their sports betting strategy... “We see the sports wagering opportunity in the United States as just a huge opportunity for us. Our aspiration, and I think we've achieved this today from a media perspective of being sort of the leading business engaged and in all aspects of the sports wagering opportunity that's emerging as each state legalizes wagering. So you'll see us continue to invest in this marketplace. Last week, we announced the acquisition of OutKick, which is a leading sports opinion, sort of omnichannel. It's podcasting, it's the website. It's Clay Travis' media sort of personality radio. And that business is FanDuel's #1 affiliate business, right? He drive a tremendous amount of traffic towards FanDuel. And so you'll see us continue to make smart investments in the space. With FOX Bet, you have to look at FOX Bet as a massive sort of funnel that starts with the engagement we have through the FOX Sports brand and also more broadly with the FOX brand overall with our audiences. And for those that are sports fans, they come through our channels. We can drive them very successfully with a free-to-play game that we created

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a couple of years ago called FOX Bet Super 6. FOX Bet Super 6 runs a number of competitions that are free to play. They are a lot of fun. They drive a lot of engagement back into sports, which is a virtuous sort of cycle. And people come to that game, they play it and then we can drop those people down, as the funnel gets narrower, down into FOX Bet. And ultimately, below FOX Bet, they drop down into other sort of gaming -- other games as well that are sort of more the sort of poker style games as well. And so that's how the funnel works, and it's important that we're engaged and we participate at all levels of that.”

## Earnings Grid

Stock	Open Interest	Historical Moves	Avg. 6 Q Max Move	Implied Move	Short Float	SI Change (3mo)	IV30 Skew
TME	20,000 Jan \$22 Calls Bought / 14,500 Jan \$20 Calls Bought / 4K Jan 2023 \$15 Short Puts / 12K Oct \$15 Short Puts	Higher 3 of 4	6.35%	7.57%	12.15%	-49.6%	-0.86%
PRPL	1K July \$45 Calls Bought - No Major OI	Lower 3 of 5	15.85%	9.74%	41.01%	47.8%	-1.93%
PRCH	4500 June \$12.5 Calls Bought / June \$20 and May \$17.5 Calls Sold / Aug \$20/\$35 Call Spreads	No History	-	11.49%	5.30%	-27.8%	4.60%
VRRM	Dec \$17.5/\$22.5 Call Spreads 8000X / 8K July \$15 Calls Bought	Higher 4 of 7	7.33%	5.71%	4.04%	-6.4%	0.89%
WMT	2500 June 4th (W) \$140 Calls Bought / 23K June \$145 Call Accumulation	Lower Last 4	3.20%	3.47%	0.48%	-10.5%	0.67%
HD	10K May \$325 Short Calls / 3K May \$280/\$310 Call Spreads in OI	Lower 6 Straight	3.96%	3.15%	0.92%	28.6%	1.81%
SE	600 June 2022 \$190 Short Puts / 1500 Jan \$270 Calls Bought / 2K Aug \$230 Short Puts / 2K June \$240 Short Puts	Higher 5 of 6	11.87%	8.25%	6.43%	1.9%	4.98%
NTES	8500 Sep \$110 Calls Bought in OI and 3500 June \$105 Calls Bought / 3450 Sep \$120 Calls Bought	Lower 4 of 5	6.30%	5.24%	4.75%	-15.2%	1.23%
BIDU	5K June \$190 Calls Bought / 2K May \$195 Calls Bought / May 28th (W) \$205, \$210 Size Calls	Lower Last 3	8.15%	6.55%	4.71%	0.4%	-1.17%
TCOM	2K Spe \$32 Puts Bought / 3500 Jan \$40 Short Puts / 3350 Sep \$50 Calls / 3K Spe \$38 Short Puts / 7500 June \$36 Calls	Higher 3 of 5	6.88%	5.61%	2.00%	-1.4%	3.44%
TTWO	1K Dec \$185 Short Puts, 1500 Jan \$195 Calls / 1500 Jan \$190 Short Puts	Lower 3 of 5	7.45%	5.50%	3.03%	30.9%	1.90%
IQ	15K Sep \$10 Short Puts / 20K June \$27.5 and \$30 Calls Bought / 20K Jan \$12.5 Puts Bought	Lower 4 of 5	12.10%	10.39%	13.90%	-24.8%	2.94%
M	20K May \$15 Puts Bought / May 18/20 Call Spreads 15K	Higher Last 3	8.25%	8.89%	12.23%	-17.4%	-0.04%
LOW	Strong Bearish Bias of Put Accumulation in June and September	Higher 4 of 7	5.63%	4.54%	0.94%	-11.1%	2.07%
JD	Mixed Flows - 2K Dec \$75 Calls Bought, 2K Jan 2023 \$65 Short Puts, 2K Dec \$60 Put Buy, 10K Aug \$65 Short Puts	Higher 4 of 5	7.78%	5.71%	2.29%	0.5%	0.71%
TJX	4500 July \$67.5 Short Puts, 19,500 July \$67.5 Calls Bought, 4350 Oct \$65 Calls Bought	Higher 4 of 6	6.43%	4.21%	0.95%	-18.9%	3.32%
BEKE	3K Oct \$35 and 1400 Jan 2023 \$45 Short Puts / 3K May \$45 and \$40 Puts Bought in OI / 2K Oct \$60 Short Puts	Higher 1 of 2	15.30%	9.18%	1.60%	9.6%	4.72%
ADI	8000 Sep \$155 Calls Bought in OI, 10K May \$145 Short Puts, 4500 Sep \$150 Calls Bought	Higher 4 of 6	4.78%	3.39%	9.89%	3.7%	-4.69%
SNPS	1850 Sep \$270 Calls Bought in OI	Higher 3 of 4	5.70%	5.11%	1.10%	-7.8%	8.17%
KEYS	1850 May \$150 Calls Accumulated w/ Buyers / 1K Jan \$130 Calls	Lower 3 of 4	5.83%	4.25%	3.36%	8.8%	3.84%
LB	5K Aug \$80 Call Buy, June Call Buys, 2K Sep \$75/\$95 Call Spreads, Size May Bull Out	Higher Last 6	14.00%	7.05%	3.43%	-2.6%	-2.80%
ROST	No Major Size in OI	Lower 7 of 8	4.00%	4.64%	0.92%	-42.6%	-2.84%
KSS	3K Oct \$62.5 Calls Bought in OI, 7K Jna \$35 Calls, 11K July \$37.5 Calls	Lower 6 of 8, Higher Last 2	11.25%	7.78%	7.02%	-3.5%	4.53%
DECK	850 June \$300 Short Puts	Lower 5 of 7	8.20%	6.10%	3.36%	25.7%	2.12%
LSPD	2350 May \$60 Puts Bought in OI	No History	-	10.76%	2.10%	14.3%	-2.93%
BJ	2450 Aug \$30 Short Puts, 2K May \$45 Calls Bought	Higher 4 of 5	9.45%	7.20%	11.18%	-13.1%	3.80%
VFC	5K Aug \$97.5 Calls Bought in OI / 3300 Aug \$87.5 Calls / 2K June \$92.5 Calls	Lower Last 6	7.30%	4.30%	1.91%	20.5%	4.51%
FL	2K May 28th (W) \$49 Short Puts / 4450 May \$60 Calls Bought / 2K Jan \$45 Short Puts in OI, 5850 Jan \$40 Short Puts	Lower 6 of 8	9.70%	7.50%	4.38%	-3.4%	4.54%

## Earnings Review

Ticker	Stock	EPS Actual	EPS Est.	Revs Actual	Revs Est.	Y/Y Change	Notes
EBIX	Ebix		\$0.77		\$159.00		
HIMS	Hims & Hers Health	-\$0.34	-\$0.08	\$52.30	\$49.07	73.80%	FY Above
TWNK	Hostess Brands	\$0.20	\$0.19	\$265.40	\$256.74	9.00%	
PRPL	Purple Innovation	\$0.17	\$0.10	\$186.40	\$166.25	52.30%	FY Above

## Disclosures

Not Investment Advice or Recommendation

## *OptionsHawk Market Blitz*

*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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