



## Inside Today's Blitz

- Stock Futures Point to Fourth Day of Losses Amid Renewed Inflation Fears
- Cisco says Chip Shortages Will Disrupt Supply Chains for Remainder of 2021
- Crypto Markets Calm After Volatile Session on Wednesday
- **WMT, TGT** considering local delivery services to compete with AMZN; **PFE, BNTX** to supply EU with 1.8B more doses of vaccine; **Ford** unveils F-150 'Lightning'

## Market Outlook

Futures indicating a slightly weak open for the day with the **Dow** off by 43 bps, the **S&P** off by 40 bps, and the **Nasdaq** down 35 bps. The **Russell** is down 52 bps. Energy is weak with **WTI** down 1.75% and **Brent** off by 1.85%. **Gold** and **silver** both lagging today with the latter off by 1.3%. The **dollar** is down 16 bps. **Bonds** are up 18 bps. **VIX** is 23.55. It has been a quiet 12-18 hours for macro news with most a reflection on the Fed minutes which implied that the FOMC is actually, kind of, moving towards tapering. Cisco is the other major story overnight after their earnings call as they warned about the chip shortage and margin headwinds. Elsewhere, weekly claims today expected to drop a little to 450,000 as the recovery remains in focus. Crypto is a lot quieter today with bitcoin remaining around \$40,000. Crude is falling this morning as concerns rise about Iranian production returning to the market as sanctions are

lifted. Iron ore is also falling as China called for tougher oversight. In Washington, Biden's big stimulus plan may run into issues with the CBO guidelines and he may be forced to cut spending or find new sources of revenue.

Asian markets are mixed this morning with the Hang Seng down 50 bps, Shanghai down 11 bps, and the Nikkei up 19 bps. The BOJ's Kuroda warned about downward pressure on the economy from the ongoing surge in COVID in the region. In Europe, the major indices are all higher with the DAX up 42 bps, the CAC up 49 bps, and the FTSE up 1 bps. We're seeing outperformance in tech while energy and financials lag. It was a quiet day for stock specific news.

**Deutsche Telekom** and **Bouygues** all higher after earnings. **Suedzucker** is lower on their report. Rail operator **Trainline** fell 25% after the government said it would digitize train-ticketing as part of an overhaul of rail service.

## Calendar

**Today... Earnings After the Close:** AINV, AMAT, DECK, FLO, HIMS, MANU, PANW, ROST; **Analyst Days:** Daimler, PLT, SY; **Conferences:** JP Morgan Homebuilding

**Tomorrow...** Manufacturing PMI, Services PMI, Composite PMI, Existing Home Sales; **International Data:** UK core retail sales, EU manufacturing PMI, EU services PMI, UK manufacturing PMI; **Earnings Before the Open:** BAH, BKE, DE, FL, ROLL, VFC

## Overnight Markets

VIX	23.6	0.91%
Bonds	156.34	0.18%
Natural Gas	2.967	0.10%
Copper	4.5715	-0.11%
US Dollar	90.04	-0.17%
Gold	1868.2	-0.71%
Silver	27.74	-1.02%
Oil (WTI)	62.34	-1.60%

## Technical View



### Key Levels to Watch

It was a really quiet night for S&P futures until about 4am when we dropped about 25 handles from 4110 to 4085. The overnight high is around 4115 and we're bouncing now back to VWAP at 4102.50. The weekly VWAP is up at 4121. The 4,110.50 area will be a key pivot to watch today with upside to 4139.5 and 4168.5. A move back into Wednesday's range targets 4081.5, 4052.5 and then 4023.5 if we see pressure.

## Economic Data

- **China** LPR was left unchanged, as expected
- **Taiwan** export orders rose 42.6% in April vs 35.4% est.
- **Japan** exports rose 38% in April vs 30.8% est.; imports rose 12.8% vs 9% est., per Bloomberg
- **Australian** employment fell 30,600 in April vs +20,000 est.
- **German** PPI was 5.2% in April vs 5.1% est.

## Macro News

- **Israel, Hamas** could announce a ceasefire as soon as Friday, per AP
- **Iran** is preparing to sell oil to the US soon as sanctions are expected to be lifted, per Reuters
- **China** will step up oversight of industrial commodities, says Reuters, to stabilize prices and prevent hikes from being passed to customers
- **Europe's** job shortage could be even worse than the US, says Bloomberg
- **The 'Build Back Better' plan** may face headwinds from changes to the CBO rules on using reconciliation, per Bloomberg

### Movers

**Gainers:** SPCE 15%, ALLO 12%, ADAP 11%, FSTK 4.5%, CPRI 3%

**Losers:** BDTX -20%, SCVL -7%, BEKE -7%, MOSY -6%, CSCO -5.5%, DASH -4.5%, PFSE -3%

### Insider Buying

VERA, LFMD, NPO, CERC

### IPO Calendar

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

**Priced \$17 on 5/19**

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

## Stock-Specific News

### Consumer

- **Walmart (WMT), Target (TGT)** are pursuing their own local home delivery services, says Reuters. This is a challenge to Amazon and also looking to bypass **UPS, FDX** who are strained due to massive demand
- **DPZ** CFO to step down to pursue outside opportunities
- **DASH** offering 8M share block through JP Morgan, says Bloomberg
- **LBTYA, TEF** announce final approval of Virgin Media-O2 JV
- **Jam City**, a mobile game developer behind Cookie Jam and Disney Pop Town, will go public via SPAC with **DPCM Capital (XPOA)**, per Bloomberg
- The WSJ 'Heard on the Street' positive on **videogame trends**. They note that the stocks have been under pressure during the reopening but gamers new engagement could last benefitting **TTWO, ATVI, EA**

#### On the Chart

**DPZ** has held up well recently post-earnings and any weakness seems like an opportunity with the rising 21-day below at \$421.50

### Financials

- **Apollo (APO)** Co-founder to step down. The effective date of Harris' transition will coincide with Apollo's combination with Athene (ATH) expected to close in the first quarter of 2022
- **Kin Insurance** is in talks to go public through Omnichannel Acquisition, says Bloomberg. A deal could be worth \$1B
- **GS** has to pare back its financing commitments to the **DISCA/T** deal due to regulatory concerns over the balance sheet, per Bloomberg
- **BLK** is buying St. Modwen properties for GBP1.2B, says Bloomberg
- **PAGS** reports Q1 TPV R\$81.4B, +102% Y/Y

#### Hawk Database

**PAGS** a lot of call activity recently including buyers in the August \$42.50 calls and size in the Sept. and January calls as well

### Healthcare

- **PFE, BNTX** to supply EU with up to 1.8B additional vaccine doses; Co. to supply Turkey with 60M doses
- **EBS** CEO says over 100M doses of vaccine are on hold, per NYT. **Johnson & Johnson's (JNJ)** vaccine are being withheld from use as regulators check them for possible contamination
- **INCY** ponatinib meets primary endpoint in Phase 2 trial for leukemia
- **VYGR** CEO Andre Turenne, CMO Omar Khwaja step down

#### On the Chart

**INCY** in a narrow range lately under \$85 but a breakout move up into the earnings gap from February has room to \$90+

### Energy & Materials

- **RUN** announces partnership with **Ford Motor (F)** to install intelligent backup power
- **SCL** is in talks with Brazilian conglomerate Ultrapar about buying their chemicals division, says Bloomberg. The unit could be valued at \$1B
- **PXD** files to sell 21.19M shares for holders

- President Biden will waive Trump-era waivers imposed on the Nord 2 Pipeline, says FT

## Industrials

- **Ford Motor (F)** is undercutting rivals with their Lightning pricing, says WSJ. The company's \$40,000 price tag is well below other electric trucks slated to hit the market
- **Ford Motor (F)** is expected to announce an EV battery JV with SK Innovation in the US soon, per Reuters
- **SPCE** confirms another test flight of VSS Unity on 5/22
- **LII** is boosting the dividend by 19%
- **BA** has resumed deliveries of their 737 MAX jet, per Reuters
- **LAD** 3.11M share secondary priced \$322

### Hawk Database

**F** has seen buyers accumulate the October \$11 calls lately as well as put sellers in the October \$12 strike this week

## Tech/Telecom

- **Google's (GOOGL) Waymo** is considering a future listing, plans to raise \$4B for R&D efforts, says Bloomberg. Waymo first needs to address potential investors' concerns about management departures
- **AMD** CEO says the supply of chips should improve throughout 2021, per SCMP, and be normalized next year
- **MSFT** will end support for their Internet Explorer browser in 2022, says WSJ, as they focus now on Edge
- **ByteDance** founder and CEO will be stepping down, per WSJ. He'll remain with the company and focus on long-term strategy
- **Deutsche Telekom** said they would take a path to US majority interest in **TMUS** under 'attractive conditions', per Reuters
- **Tencent** to step up investments in business services and enterprise software, high-production-value games, and short-form video
- **STM** could make a bid for **Nordic Semi**, says Reuters
- **SLAB** to buyback \$150M in stock
- **Memory IC sales** poised to hit record in 2022, says Digitimes

### On the Chart

**GOOGL** has held up well with its rising 50-MA support below and a breakout back above May value at \$2330 in focus for a continued run higher

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## Analyst Notes

### Upgrades

- **SEDG** upgraded to Buy at Goldman; company is set for renewed growth and potentially more operational upside as it launches its new resi storage product to a rapidly growing market in which demand has so far exceeded supply
- **SHLS** upgraded to Buy at Goldman; view risk-reward as being more attractive at the current levels given the recent sell-off related to macro concerns, especially in light of the company's fundamental growth prospects having improved recently. The accelerated EV-related offerings provide greater visibility and open up a greater TAM for SHLS
- **VIAC** raised to Buy at BAML from Underperform; believe the recently announced transaction between DISCA and Warner Media will spur further media consolidation as industry participants seek increased scale. Market dynamics could increase pressure to consider an offer or to proactively look to sell.
- **ADI** raised to Outperform at Bernstein, things appear to be looking up for Analog Devices with broad-based demand strength, a second half of 2021 communications pickup, and a burgeoning electric vehicle narrative
- **IR** upgraded to Buy at Deutsche Bank
- **CMG** raised to Buy at UBS
- **PEAK** raised to Buy at Berenberg
- **FTV** raised to Overweight at JP Morgan
- **ALLO** raised to Buy at Truist
- **VNT** raised to Buy at Argus

#### Hawk Database

**VIAC** has seen more than 20,000 September \$50 calls bought and add to open interest this week as well as January 2023 bull risk reversals

#### Hawk Database

**ADI** with a nice reversal candle yesterday and has over 11,000 of those September \$155 calls bought in open interest

### Downgrades

- **HFC** cut to Sell at Goldman; see uncertainty around the company's capital allocation strategy with elevated capital intensity in 2021/2022 and a willingness to suspend the dividend payment in order to fund M&A.
- **IOVA** cut to Neutral at Piper, While there's no doubt that Iovance's platform still has value, it feels near impossible to maintain a positive outlook as the company works to address the challenging task with the potency assay without firm leadership at the top
- **SIMO** cut to Underweight at MSCO

## Initiations

- **COIN** started Outperform at Wedbush, likes the company's first-mover advantage, saying Coinbase is the default starting place for new user journeys into the crypto economy
- **CC** started Buy at BAML, \$42 target; TiO2 prices are inflecting and governments are taking an increased interest in phasing out legacy refrigerant technology. This should provide a backdrop for both cash flow and earnings growth to drive value in excess of what the underlying commodity cycles would dictate.
- **TROX** started Buy at BAML, \$28 target; Titanium dioxide pigment (TiO2) is a crucial raw material in many paint products and has consequently seen a strong demand pull. This is leading to higher prices and margins for producers, such as Tronox. The rebound in underlying margins comes as the company is working through a number of unique levers to drive growth in excess of the cycle.
- **VTGN** started Outperform at Baird

## Other Notes

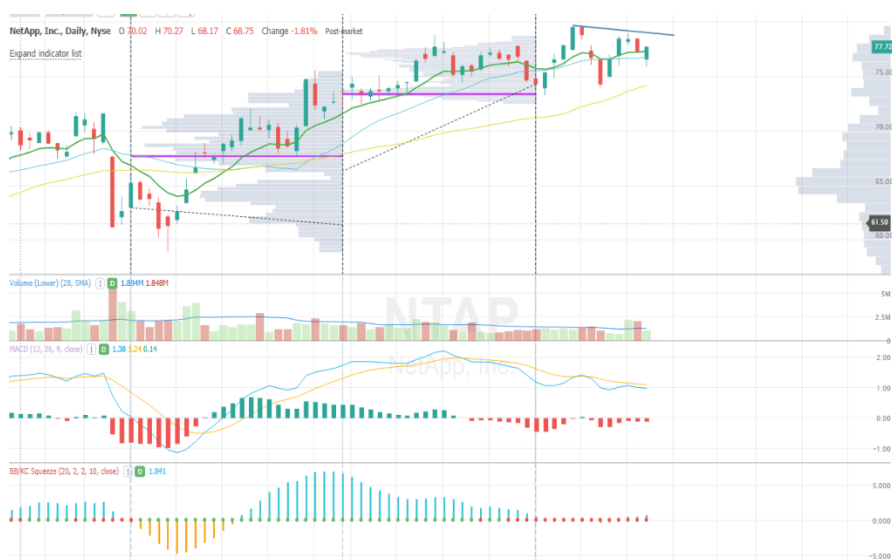
- **STX** target raised to \$120 at BAML on China cryptocurrency demand drucing demand and pricing for high capacity HDDs
- **SJM** a catalyst call 'Buy' idea at Deutsche Bank, the analyst believes Smucker's underappreciated organizational should result in improved execution and views fiscal Q4 earnings and fiscal 2022 outlook as potential catalysts improving sentiment on the stock
- **DKS** target raised to \$93 at MSCO, expecting robust results and for the company to boost its FY21 guidance. Dick's is evolving into a faster grower with more durable margins while the share buyback potential provides a backstop for the shares
- **WDC** target raised to \$90 at BAML

### Hawk Database

**DKS** a bullish write up this week as spreads position for earnings buying the June \$90 calls and selling the May 28<sup>th</sup> (W) \$81.50 puts

## Trade Ideas

**NetApp (NTAP)** shares showing relative strength lately holding up well near recent highs and flagging in a small range above April VPOC. Yesterday's close moved back above the 8- and 21-MA and a break higher above \$79 has a measured move out to \$85. MACD has flattened out a bit and set to turn higher while RSI is back above 55, ready to run.



### Technical Scans

**Inside Days:** ZLAB, OMCL, MKC, PLD, TXG, GH, CHTR, SE, GDRX, SBAC, ROKU

**Bull Reversal Days:** ABNB, MTCH, NFLX, MASI, CVNA, NEE, ADI, CDNS, EA, CP, J, HOLX, MCK, LPLA, GNTX

**Ready to Run:** ESTA, SMPL, CIT, SVMK, NUVA, BHE, JBL, SWAV, RUBY, QURE

### Small-Cap Earnings Flow

**Skyline Champion (SKY)** stock and IV higher yesterday with 585 August \$41 calls bought for \$3.90 to \$4, earnings on 5-25 and strong history trading higher each of the last four and eight of the last ten. This is the only notable open interest in the name. The company is looking for \$0.38 on \$384.4M in sales, a 27.6% increase Y/Y, with next quarter at \$0.35/\$390.5M and the FY at \$1.27/\$1.36B. Shares have traded well since the March lows and back near trend support as well as a small gap fill from February. SKY is also back near the low-end of value from the February/March trading zone.

The \$2.28B company trades 25X earnings, 1.8X sales, and 8.55X cash. SKY makes manufactured and modular homes, as well as park-models and modular buildings for the multi-family, hospitality, and senior and workforce housing sectors. They are the second largest in the space with 17% market share and an expansive network of dealers and retail outlets in the US. The company thinks manufactured housing has significant upside given the lack of affordable housing in the US and supply concerns driving building costs higher. Millennials and baby boomers make up 75% of all manufactured home sales.

Short interest is 1.5%. Hedge fund ownership rose marginally in Q1. Analysts have an average target for shares of \$35 with a Street High \$51 from Barclays. The firm was out positive in April citing attractive valuations and potential for upward revisions. Craig Hallum positive in February as momentum is building with the return to double-digit growth and demand the best in decades. Wedbush positive in December noting that Skyline and the manufactured housing industry can help fill the gap between a severe lack of available housing and rising demand. Skyline has been hit with numerous challenges since the June 2018 merger of legacy Skyline and legacy Champion but despite those headwinds, the analyst says management maintained a net cash balance sheet and had a record backlog as of September 30.



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## Extras

**Canadian National (CNI)** buyer 2500 June \$110 calls \$1.70 offer

**Salesforce (CRM)** late day buyer 1000 September \$230 calls \$12.60+

**Danaher (DHR)** afternoon opening sales of 800 December \$185 puts for \$3.80

**Ulta (ULTA)** with 375 September \$345 calls sold to open \$18.10 bids

**Ring Central (RNG)** buyer 300 October \$250 calls \$27.80 to \$28

**Coupa (COUP)** with 450 January 2023 \$300 calls sold to open \$31 in a buy-write

**Tesla (TSLA)** with 6500 September 2022 \$320 puts bought to open near \$35.40

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## Open Interest Checks

Ticker	Contract	OI Checks		
		Prior OI	New OI	OI Change
FB	September \$320 Calls	1,855	5,849	215.31%
DBX	June \$28 Calls	6,226	16,053	157.84%
M	August \$20 Calls	5,862	14,925	154.61%
X	July \$23 Calls	1,808	3,697	104.48%
CMCSA	June \$52.5 Calls	5,467	10,473	91.57%
INTC	October \$52.5 Short Puts	5,730	10,740	87.43%
CRM	September \$230 Calls	1,314	2,385	81.51%
VRTX	June \$230 Calls	2,536	4,230	66.80%
UNP	June \$225 Calls	9,209	15,149	64.50%
OXY	September \$25 Calls	4,797	7,552	57.43%
FDX	June \$310 Calls	4,131	6,285	52.14%
WBA	July \$52.5 Calls	3,829	5,775	50.82%
UAA	October \$25 Calls	7,835	11,445	46.08%
VIAC	Septemebr \$50 Calls	28,246	38,732	37.12%
TWTR	September \$55 Calls	9,690	11,177	15.35%
TECK	August \$23 Puts	5,685	5,681	-0.07%

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## What They're Saying

**Affirm (AFRM)** at Barclays Payments Conference on Travel vertical volumes... "So while we obviously are big in categories that benefited during the pandemic, like home and effective fitness and the kind of categories that you'd expect people to buy in times when the economy is more restricted, we also have big businesses that were suppressed during the crisis, like travel. Travel is one of our favorite categories to talk about just because it's a light-switch moment where you're going from highly depressed volumes to, as things open up, it's



something that consumers are going very quickly with their dollars to go out and see the world. So we saw a real acceleration in travel. We're excited because this time last year, things were shutting down rapidly fast. And so we think that we're up against a pretty easy, and relatively easy comp, which allow us to deliver real strong growth."

**Analog Devices (ADI)** earnings call on EV, 5G and Energy Storage opportunities... "ADI's solutions are embedded across the electrification ecosystem, from developing and managing the vehicle battery to the distribution and storage across the digital grid. With the rapid shift to EVs, we're seeing new and increasing investments in battery manufacturing capacity. This quarter, we secured a design win with the supplier of one of the world's top battery producers. Our innovative solution reduces system costs by half by integrating all measurement, control and diagnostics functions. And our portfolio of wired and wireless BMS provides unmatched accuracy to deliver market-leading vehicle range as we grow and diversify our BMS business. This quarter, we added Volvo as well as 3 additional large auto manufacturers, including a prominent luxury brand in Europe and 2 leading brands in Asia. Moving on to energy infrastructure. Here, energy storage systems are required to make renewable energy a reality and to build the charging infrastructure to support EV proliferation. Our precision signal chain, power management and BMS portfolios deliver the level of accuracy necessary to ensure consistent supply across the digital grid. We have design wins at more than 80% of the top customers from traditional energy and industrial companies to new entrants. Another area of increasing importance for ADI is connectivity, which, of course, is becoming more pervasive across demographics and industries, presenting new opportunities for us. For example, in our communications business, we announced a complete radio platform for the 5G O-RAN ecosystem. This radio platform builds on our market-leading integrated transceiver position by expanding into the digital front end. Our full system solution enables significant size and performance improvements while reducing customers' design cycles. O-RAN represents a new vector of growth in the communications market by enabling new entrants and applications such as private networks that support connected factories. In addition to partnerships with Intel and Marvell, we are working with key carriers and system integrators to enable this ecosystem."

**FactSet (FDS)** on its Wealth business... "It's very early innings, and we believe that's a market that has a lot of positive trends associated with it that we could capture. We do, today, serve a pretty narrow part of the workflow for wealth. So the wealth advisers are really using our research news and [ folks ] product, which is suburb for their workflow. And we're now beginning to introduce some really creative tools that are driven by cognitive computing, like the advice to dashboard, which links to the portfolios that they might be managing and so on. So that particular market, we estimate is probably around \$2 billion, and we have a small piece of that and are very optimistic that we can take market share there. But there are more workflows in the wealth space that we're beginning to look at to say, okay, like if we want to capture more of the adviser wealth workflow like we do for institutional asset management, what would that mean? So that is an area of focus for us in terms of our strategy."

**Sprout Social (SPT)** at Barclays Conference on its TAM... "Facebook recently came out and said there's over 200 million businesses on Facebook. And so if you think you take -- you got 200 businesses all in different stages. If you just take -- what we did, if you take a couple of percent, let's say, 2% to 3% of those business, so a very small percentage and you apply our average ACVs, you get about a \$25 billion TAM. And that's a really small percentage of that market. And then if you take, for example, the top decile of our customers and what they're spending today, we get closer to a \$50 billion TAM. And so for us, like Jason just said, we're just so early in the adoption curve of these. If you think about us and all our competitors probably serve maybe 100,000, to 200,000 businesses today. I think the other thing, too, when we think about the market and what's unique about our product versus some of our competitors is we serve all ends of the market. So our product was built to serve

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SMB, mid-market up into enterprise. And what we're seeing is we're seeing adoption of our platform across all these segments for various different use cases. And so we get pretty excited about the opportunity in front of us, just given the fact that we can serve all ends of the market regardless of the small businesses with less than 10 employees to the massive enterprises that might have thousands and thousands of employees.”

## Earnings Grid

Stock	Open Interest	Historical Moves	Avg. 6 Q Max Move	Implied Move	Short Float	SI Change (3mo)	IV30 Skew
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
CSCO	Cisco	\$0.83	\$0.82	\$12,803.00	\$12,567.77	6.80%	
CPRT	Copart	\$1.09	\$0.78	\$733.90	\$623.52	33.30%	
GDS	GDS Holdings	-\$0.21	-\$0.15	\$1,706.00	\$1,729.04	40.70%	
BEKE	KE Holdings	\$1.25	\$0.89	\$20,697.05	\$18,956.41	190.70%	FY In Line
KEYS	Keysight	\$1.44	\$1.34	\$1,221.00	\$1,204.68	36.40%	FY In Line
LB	L Brands	\$1.25	\$0.98	\$3,023.70	\$2,837.32	82.80%	FY Above
SCVL	Shoe Carnival	\$3.02	\$1.40	\$328.50	\$273.04	122.70%	FY In Line
SQM	Sociedad Quimica y Minera	\$0.26	\$0.23	\$528.50	\$498.89	34.80%	
SNPS	Synopsys	\$1.70	\$1.53	\$1,024.30	\$988.20	18.90%	FY Above
ZTO	ZTO Express	\$0.94	\$1.14	\$6,472.54	\$6,522.77	65.30%	
WMS	Advanced Drainage Systems	\$0.23	\$0.34	\$443.80	\$405.49	19.70%	FY Above
BJ	BJ's Wholesale	\$0.72	\$0.56	\$3,781.80	\$3,585.59	1.70%	
BRC	Brady	\$0.71	\$0.65	\$295.50	\$278.13	11.10%	FY In Line
CSIQ	Canadian Solar	\$0.36	\$0.39	\$1,089.30	\$1,040.20	31.90%	FY In Line

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HRL	Hormel Foods	\$0.42	\$0.41	\$2,606.60	\$2,413.31	7.60%	FY In Line
KSS	Kohl's	\$1.05	-\$0.12	\$3,887.00	\$3,350.15	60.10%	
LSPD	Lightspeed		-\$0.12		\$69.95		
MNRO	Monro Muffler		\$0.29		\$297.34		
WOOF	Petco Health and Wellness		\$0.09		\$1,269.65		
RL	Ralph Lauren		-\$0.71		\$1,211.43		
PLCE	The Children's Place		-\$0.21		\$331.15		
TGI	Triumph Group	\$0.10	\$0.07	\$466.80	\$437.15	-32.70%	

**CSCO** – Beat on EPS and Revs - Cisco had a great quarter with strong demand across the business," said Chuck Robbins, chairman and CEO of Cisco. "We are confident in our strategy and our ability to lead the next phase of the recovery as our customers accelerate their adoption of hybrid work, digital transformation, cloud, and continued strong uptake of our subscription-based offerings." "We executed well with strong product orders, and solid growth in revenue, net income, and EPS," said Scott Herren, CFO of Cisco. "Our investments in innovation and accelerated shift to more software offerings and subscriptions led to double-digit growth in deferred revenue, remaining performance obligations and higher levels of recurring revenue."

**KEYS** – Beat on EPS and Revs - "Keysight delivered an exceptional quarter and achieved all-time record orders, revenue, and free cash flow. Our second quarter results are indicative of our leadership position across a diverse set of markets," said Ron Nersesian, Keysight's Chairman, President and CEO. "As an enabler of leading-edge disruptive innovation, Keysight is well-positioned to capitalize on multiple waves of technology that are fueling our growth for the long term."

**SNPS** – Beat on EPS and Revs, Raising FY - "Synopsys continues to execute very well. We delivered outstanding second quarter results, exceeding all of our key guidance metrics, and business was robust across all product groups and geographies. Market demand is strong, and we see a new wave of growth on the horizon, driven by an increasing need for highly complex, connected, specialized, and secure chips and systems," said co-CEO Aart de Geus. "Recent transformative technology innovations position us particularly well to enable this new era. And combined with our multi-year focus on accelerating growth and expanding non-GAAP operating margin, we continue to manage the business to drive significant long-term shareholder value. Our excellent year-to-date results, coupled with increased confidence in our business, lead us to raise our FY21 revenue, non-GAAP earnings and operating margin, and operating cash flow targets."

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## Disclosures

### Not Investment Advice or Recommendation

*Any descriptions "to buy", "to sell", "long", "short" or any other trade related terminology should not be seen as a recommendation. The Author may or may not take positions in any of the names mentioned, and is not obligated to disclose positions, nor position sizes.*

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