



## Inside Today's Blitz

- China Factory Inflation Rises As Beijing Looks to Cool Post-Pandemic Price Surge
- Biden Breaks Off Talks with GOP's Capito Over Infrastructure
- **SHW** raised their outlook; **ADI**, **MXIM** deal to be approved in China; **IAC** CFO to depart; **UPS** announced new FY23 targets; **DASH** is expanding into Japan

## Market Outlook

Futures indicating a mixed open for the morning with the **Dow** down 9 bps, the **S&P** up 4 bps, and the **Nasdaq** up 19 bps. The **Russell** is up 18 bps. Energy is modestly higher with **WTI** up 23 bps. **Natural Gas** is down 48 bps. **Gold** and **silver** are down modestly. **Copper** is off by 1.15%. **Grains** are down across the board. The **dollar** is down 15 bps. **Bonds** are up 26 bps. **VIX** is 17.95. It is a very quiet morning for macro news, yet again, with the major focus for the week tomorrow with both the ECB and US inflation data. China inflation data was mixed overnight with CPI a bit below expectations but PPI surging and potentially peaking in May. This comes as Beijing is continuing to look for ways to intervene and temp down prices amid fears of inflationary pressure. In Washington, President Biden has ended talks with GOP Sen. Capito on infrastructure without a deal and POTUS will now work with a small group of bipartisan senators on a deal. The path forward for

Biden's massive infrastructure plan looks about as poor as ever and the most likely scenario remains a much smaller deal done focusing just on physical infrastructure projects.

Asian markets are mostly in the red today with the Hang Seng down 13 bps, Shanghai up 32 bps, and the Nikkei down 35 bps. In Europe, the major indices are lower as well with the DAX down 54 bps, the CAC down 4 bps, and the FTSE down 60 bps. We're seeing outperformance in healthcare while financials and basic resources are weak. The ECB decision later is expected to maintain a higher pace of asset buys for another quarter while their continue their review. Leisure and travel names are benefiting from the US lifting travel restrictions on over 100 countries. **Lufthansa**, **Air France**, and **Easy Jet** all up around 3%. A rise in China PPI is weighing on **Anglo American**, **BHP**, **Rio Tinto** and others. Spanish retail giant **Inditex** fell 2% despite a nice quarter. **Volkswagen** fell 1% after taking part in a €500M financing round for battery partner **NorthVolt**.

## Calendar

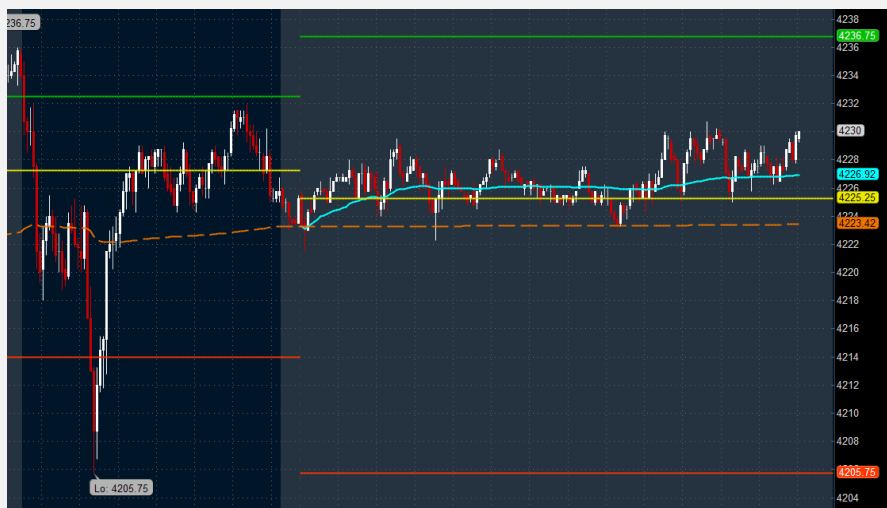
**Today...** Earnings After the Close: GME, GEF, OXM, RH, LAKE, KLXE, VRNT; Analyst Days: UPS; Conferences: Deutsche Bank Global Consumer, Evercore ISI TMT, Bank America Global Technology, Goldman Healthcare, RBC Energy, UBS Industrials/Transports, Baird Consumer, NAREIT REIT Week

**Tomorrow...** Core CPI, Weekly Claims, WASDE Report; International Data: ECB Decision; Earnings Before the Open: JW.A, SIG, FCEL, ALYA, ALOT; Earnings After the Close: CHWY, PLAY, SEAC, XAIR, NVGS, AVO, VNCE, KSPN; Analyst Days: BLK, CDLX, PNR

## Overnight Markets

Oil (WTI)	70.29	0.34%
VIX	17.9	-0.01%
Silver	27.7	-0.11%
Gold	1891.9	-0.13%
US Dollar	89.94	-0.15%
Natural Gas	3.113	-0.48%
Copper	4.5075	-1.06%

## Technical View



### Key Levels to Watch

It was a very quiet night for S&P futures as we were mostly rangebound between 4230 and 4223.50 and week-to-date VWAP, not far from Tuesday's close. VWAP is rising overnight a bit into the US session at 4227. We remain coiled in a small range above the 10-EMA. Above yesterday's highs targets 4244.75 and 4259.25. A move lower targets 4215.75, 4201.25, and 4186.75.

## Economic Data

- **China** CPI was 1.3% vs 1.6% est. and 0.9% prior
- **China** PPI was 9% vs 8.5% est. and 6.8% prior
- **German** exports rose 0.3% vs 0.5% est.
- **German** imports fell 1.7% vs -1.1% est.

## Macro News

- **The Senate** passed a \$250B bill aimed at boosting American competitiveness versus **China**, per NYT, in areas like semiconductor manufacturing
- **China's** CPI/PPI gap hit its highest level on record as companies face enormous margin pressures, per CNBC
- **China** is stepping up efforts to cool housing price gains, per NYT. Another move in the effort to stop post-pandemic price momentum
- **China** will use state reserves to stabilize hog production and soaring pork prices, says Reuters
- **The BOJ** will not hesitate to ease further if needed, per their deputy Governor in comments to Reuters
- **Chile** signaled that a rate hike may be coming for the first time since 2019, per Bloomberg
- **The RBA** is looking at ways to pull back on parts of their QE program starting in July, says Bloomberg

### Movers

**Gainers: AEMD 300%, CLNE 33%, WISH 29%, ROOT 7%, EGHT 5%, FSR 4.5%**

**Losers: ONDS -15%, PATH -9%, CMTL -8%, RIDE -5%**

### Insider Buying

PFSI, RILY, BLI, EGHT

### IPO Calendar

**Marqeta (MQ)** is raising \$1B at a \$12.4B valuation

**Kanzhun (BZ)** is raising \$864M at a \$8.4B valuation

**LifeStance Health (LFST)** is raising \$640M at a \$6B valuation

**Monday.com (MNDY)** is raising \$490M at a \$6.8B valuation

**TaskUs (TASK)** is raising \$300M at a \$2.5B valuation

## Stock-Specific News

### Consumer

- **HELE** has sold its mass market personal care business to HRB Brands for \$44.75M in cash; the company retained Latin America business
- **CMG** is planning to raise prices by 4%, says CNBC. The move is to cover rising labor costs for the company
- **DASH** is expanding into Japan, their first APAC market
- **TGT** is raising their dividend by 32%
- **CPB** announces up to \$250M buyback plan
- **Inditex**, owner of Zara clothing brand, tops estimates as stores reopen and show strongly improving picture
- **Diamond demand** is soaring, says Bloomberg, as the industry faces a buying frenzy that is allowing companies like **De Beers** to push through large price hikes

### Financials

- **JPM** could lose out as the issuer of the popular Amazon Prime credit card, says Bloomberg. **SYF**, **AXP** could become partners going forward
- **European banks** are very serious about creating an alternative payments network to **Visa (V)** and **MasterCard (MA)**, says FT
- **Robinhood** is now targeting a July listing, says Bloomberg. This is delayed a bit from prior thought around June
- **BR** to acquire **AdvisorStream**, no terms
- Crypto startup **BlockFi** is in talks to raise funding at a \$5B valuation, says The Information

### Healthcare

- **ARNA** gets FDA Orphan Drug Designation in EoE treatment
- **JNJ** says millions of COVID vaccine doses are at risk of expiring in June, per WSJ, as states, hospitals try to reroute such vaccines, while efforts to export them face hurdles
- **MRK** announces procurement agreement with U.S. for molnupiravir

#### On the Chart

**HELE** strong two-day run and near a multi-week downtrend breakout with room up to \$230 in the short-term

#### Hawk Database

**DASH** has been consolidating the earnings gap higher for a few weeks now and above \$145 could get some momentum with over 4750 June \$165 calls in OI

## Industrials

- **BA** is looking to increase their \$3.9B Air Force One fixed-price contract, says FT. The deal was negotiated in 2018 when President Trump called their original \$5B estimate 'ridiculous'
- **Airbus** is looking to make a freighter model of its A350 to better challenge Boeing's dominance, says Bloomberg
- **UPS** targeting FY23 revenue of \$98B to \$102B; expects to spend \$14.5B in capital spending with 29% ROIC
- **SPXC** is selling their Transformer Solutions business to GE-Prolec for \$645M in cash
- **JBLU** is narrowing their Q2 outlook with revs down 30-33% vs 30-35%
- **XPO** is raising their Q2 EBITDA outlook to \$490M driven by stronger-than-expected performance in its transportation segment
- **RACE** has named a new CEO
- Private aviation provider **Vista Global** is in talks to go public via SPAC deal, says Bloomberg. The company would be valued at \$10B
- The WSJ discusses the surge in ship orders as carriers rush to add capacity with big shipyards running out of construction flows and raising prices to meet rising steel costs. "Orders for new container ships in the first five months of this year were nearly double the orders for all of both 2019 and 2020, according to London-based maritime data provider VesselsValue Ltd". The result has been surging freight rates with big profits at **AP Moller-Maersk** and **Hapag-Lloyd**

## Energy & Materials

- **SHW** is raising their Q2 outlook to 'high-teens percentage' Y/Y; Demand remains strong in our architectural end markets, led by residential repaint and new residential, with continued improvement in commercial and property management.
- **FSLR** is building a new solar panel factory in Ohio, targeting 2023 opening; factory will produce capacity for 500K homes
- **RDS.A** plans to accelerate their transition plan to cut carbon emissions 45% by 2030 after Dutch ruling, says FT
- **NorthVolt**, a Swedish lithium-ion battery maker, is raising \$2.75B to expand capacity, says Reuters
- **WOR** has bought assets from Shiloh Industries for \$105M
- **BKR, APD** to collaborate on global hydrogen projects
- **China** may put a price ceiling on coal, says Reuters
- **Wallbox**, a Spanish EV smart-charger, set to go public via SPAC with **KCAC**

### On the Chart

**BA** small flag forming above its 8-EMA after the recent run and on watch for a run above \$257.50 again

### Hawk Database

**SPXC** some smaller, unusual buys yesterday in the July \$60 calls with shares poised to clear a nice bull flag above \$65

### On the Chart

**SHW** narrow wedge forming under \$290 and recent highs, a strong name for much of the last three months

## Tech/Telecom

- China is set to approve **Analog Devices (ADI)**, **Maxim (MXIM)** deal, says Capitol Forum. The approval will be without conditions
- **Apple (AAPL)** has tapped **Akamai (AKAM)**, **Cloudflare (NET)**, **Fastly (FSLY)** for new privacy relay feature, says SMB. FSLY had hinted on their last earnings call about revenue accelerating in 2H and this is likely the driver
- **IAC CFO** has departed for another opportunity; Co. will initiate a search for a replacement
- **MSTR** upsized their offering of senior notes to \$500M from \$400M
- **NVT** to acquire **CIS Global**, a leading provider of data center power solutions, for \$200M
- **ALLT** selected by Tier-1 mobile operator in APAC for 5G network security
- **PEGA** expanded their buyback by \$60M

### Hawk Database

**ADI** some size buyers of the Sept. \$155 calls recently, over 8,300X, while the \$165 calls have over 1800 in OI from buys as well; nice flag forming above its 10-EMA

### On the Chart

**NVT** under-followed name but nice trend lately to new 3-year highs and small pullback this week to the 8- and 21-MA

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## Analyst Notes

### Upgrades

- **CC** raised to Buy at Goldman; TiO2 cycle has been challenged in recent years following the prior 2018 peak and subsequent downcycle, the industry's efforts to stabilize pricing led by CC have worked, preventing typical price erosion, and pigment prices are now set to increase for the first time in more than two years as customer inventory levels remain lean, industry operating rates have tightened, and underlying feedstock inflation has lifted industry cost curves
- **FOXA** raised to Overweight at Wells Fargo on sports betting opportunity; Investments in Credible Labs, Fox Bet and Flutter are evidence that Fox may be focused on a pivot toward sports betting and indicates potential share price accretion of 17%-34% over the next couple of years
- **ANF** raised to Buy at Jefferies, the company's multi-year repositioning efforts are now paying off, giving it two brands that are strongly resonating with their distinct audiences. Meanwhile, the company's deep, permanent expense cuts, including occupancy reductions, are creating benefits to operating margins
- **CL** raised to Outperform at CSFB, Contrary to what Nielsen share trends suggest, Colgate is doing better as its sales track closer to category growth
- **KLAC** raised to Buy at Deutsche Bank
- **NICE** raised to Overweight at JPM
- **SNN** raised to Outperform at CSFB
- **CCMP** raised to Buy at Berenberg
- **ITGR** raised to Buy at Argus

### Hawk Database

**ANF** still has over 8000 June \$40 calls bought in open interest that could see some Gamma fuel into next week's expiration.

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### Downgrades

- **BAP** cut to Sell at Citi, sees higher short term uncertainty with preliminary results in the Peruvian election suggesting Pedro Castillo will be the next president in the country. Castillo's victory is likely less market friendly at the outset, particularly due to higher risks for systemic changes promoted by the executive
- **CE** cut to Neutral from Buy at Goldman
- **WEN** cut to Hold at Stifel
- **DISH** cut to Underweight at JPM

### Initiations

- **REGI, DAR** started Buy at Citi
- **GS, MS** started Buy at Jefferies
  - On **GS** - views the stock as too cheap relative to Goldman's return profile and thinks multiple expansion will occur as its return profile continues to improve given what he sees as rising contribution from more durable revenue streams and more efficient internal capital allocation
  - On **MS** – calls it a compelling compounder with leading market shares in each of its three business segments. The E-Trade and Eaton Vance acquisitions should accelerate organic growth and increase the contribution from more durable revenue streams
- **DADA, BZUN** started Overweight at JPM
- **CAMT** started Overweight at Barclays

### Other Notes

- **STX** target to \$100 from \$85 at Citi
- **THO** weakness seen as a buying opportunity at Baird as checks show a healthy demand and an urgent need for inventory, driving an absurdly high backlog
- **DXCM** a top pick, says JP Morgan, as recent meetings with DexCom management renewed his bullish stance on the company's positioning, especially ahead of a G7 launch later this year.

## Trade Ideas

**Airbnb (ABNB)** shares with a strong move recently out of a base and back above its key short-term moving averages and now flagging above the 10-EMA. A continuation higher above \$151 has room up to \$170 in a low-volume gap. Shares are also right at downtrend resistance from the March and April highs, so a move out of this flag would be meaningful as a trend shift. RBC positive recently noting that remains a clear category leader in private/alternative accommodations and it is out in front of multiple secular tailwinds



### Technical Scans

**Inside Days:** LITE, CGNX, CZR, ROL, TPX, KEYS, HD, MA, ANSS, LII, TSCO, DECK, BX, SAM, HLF, ADSK, LAD, ONEM

**Bull Reversal Days:** EDR, BC, NLSN, ITT, LPX, PNC, KKR, JEF, CP, CLF, EFX, FL, AGO, MSA, CBT, LKQ, CMI, RNR, HUN

**Ready to Run:** ITT, LECO, KKR, RDS/B, MIDD, HUYA, FL, CAKE, CPRI, FIVE, RS, CACI, KALU, GTLS, GMED, WU, SKX, FWRD, TRN, FAST, LEG, OMC, FLOW, ALRM

### Earnings Preview

**RH (RH)** earnings tonight after the close and Street looking for \$4.10 on \$757.65M in sales. Next quarter is guided to \$5.93/\$902.47M and the FY is \$21.21 and \$3.4B, up 19.7% Y/Y. Shares have closed higher in two of the last three and five of the last eight. The average closing move has been 11.2% with a max move of 20.05%. The current implied move is 7.6%. Options flow has been bullish, albeit smaller-size/high-dollar trades with buyers in the January \$750 calls and January 2023 \$980 calls. The August \$560 calls also had \$1M bought in April that remains in OI. RH had a strong run in March/April after earnings and peaked around \$700 before pulling back. Shares are forming a bull wedge now and a pop back above \$650 can re-test the prior highs and then longer-term measured move to \$800. The \$13.09B company trades 26.5X earnings, 4.6X sales, and 33.6X FCF. RH has posted strong results lately with ROIC of 53% in 2020 and 750 bps expansion in operating margins. The company expects tailwinds to continue this year from strong housing market, low rates, and a rebounding economy. They may face some difficult comps in the 2H but company noted in April that they expect to launch RH Contemporary in the Fall and their Source Books will be delayed a bit as well, both allowing manufacturing partners to keep up with demand trends. They also have one of their largest product launches in history in the 2H with ten new collections out from their RH Outdoor Source Book. Analysts have an average target for shares of \$575 with a Street High \$800. Wells Fargo positive on 5/25 as furnishings demand will accelerate in Q1 on the back of incremental stimulus, healthy consumer tailwinds, second derivative housing benefits and elevated time still spent at home. Guidance will be in focus as a greater percentage of the population becomes vaccinated,



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wallet share inevitably shifts back toward experiences and supply chain backlogs likely catch up as promotional activity resumes. Cowen positive on 5/24 into earnings noting that “RH's luxury leadership positions the retailer to better protect margins in a rising expense environment which includes lumber prices +290% Y/Y, elevated supply chain costs on container shortages, and labor inflation.” Short interest is 13.37% and down from as high as 30% in late 2019. Hedge fund ownership rose 9% in Q1. Suvretta Capital a top holder.



## Extras

**Melco (MLCO)** stock replacement opens 5000 January \$18 calls for \$1.75

**Airbnb (ABNB)** with 600 June 2022 \$180/\$240 call spreads bought to open late

**DuPont (DD)** buy-write sold 2500 January \$92.50 calls for \$3.85

**Salesforce (CRM)** buyer 1750 September \$250 calls \$8.87

**Intellia (NTLA)** buyer 1000 July \$90/\$125 call spreads for \$6

**Lending Club (LC)** buyer 1400 January \$25 OTM calls \$1.30 offer

**Affirm (AFRM)** opening sale 1000 August \$60 puts \$5.82

**American Express (AXP)** opening sale 1000 July \$160 puts \$2.41

**Silicon Motion (SIMO)** IV dropped into the close as 4000 June \$65 puts sold ITM to open \$1.60

**Scott's Miracle Gro (SMG)** with 250 September \$200 calls bought \$16.40 offer

**United Parcel (UPS)** opening sale 750 January 2023 \$180 puts for \$14.90

**Booking (BKNG)** buyer 100 October \$2480 calls \$99.80



## Open Interest Checks

Ticker	Contract	OI Checks		
		Prior OI	New OI	OI Change
CRM	September \$250 Calls	2,630	4,337	64.90%
TMUS	August \$150 Calls	6,489	10,362	59.69%
IBM	January 2023 \$200 Calls	9,637	15,271	58.46%
NTLA	July \$90 Calls	1,152	1,699	47.48%
EBAY	January \$70 Calls	5,954	8,636	45.05%
UBER	September \$60 Calls	15,096	21,260	40.83%
FSLY	July \$55 Calls	3,233	3,785	17.07%
BIIB	October \$410 Calls	1,039	1,119	7.70%
CNI	July \$115 Calls	3,298	2,964	-10.13%
BIIB	July \$380 Calls	1,447	1,100	-23.98%
BIIB	October \$400 Calls	2,241	1,119	-50.07%

## What They're Saying

**Universal Display (OLED)** at Evercore TMT Conference on LCD vs OLED markets... "Yes. I mean, our competition is LCDs. It's LCD is on the mobile side. But today, OLEDs are in the 30-some percent market share from smartphones for TVs of the TAM of 240 to 260 million units. Samsung or LG is talking about 10 million OLED TVs, 7 million to 8 million this year, 10 million next year, you're only talking 3% or 4% of the market. It needs to grow, it needs to do a number of things. It needs to be more folks in the market. But in terms of competing with LCDs, a lot of the things that you mentioned are bells and whistles on LCDs, mini-LED, which is just a backlight technology for LCDs. LCDs are the market. There's AV or so fabs. And pricing is going up and down. They got fully depreciated fabs, and pricing for OLED is still the premium end of the market. You are seeing pricing for, I think, 55-inch OLED TVs, closer to USD 1,000, which used to be started out at \$3,600 and \$10,000 before that. But -- so pricing is coming down. We are very bullish on OLED TVs. It has been rated the best TV ever, every time it's rated. So -- and if you put it side-by-side next to any other TV. You can walk in the Costcos and you get hit with a 77-inch OLED TV as soon as you walk in the door. And when you compare it to any other TV in the store, there's really no comparison. But it is a premium price. We're not talking about a TV that's going to sell for \$399 for a 55-inch TV. The picture quality between -- there's just no comparison. So we do believe that LG, there's 19 OEMs today that are branding OLED TVs, and we think it will only continue to grow."

**IPG Photonic (IPGP)** at Stifel Conference on emerging product applications... "So yes, we've been really pleased with the traction we've got across our fairly broad portfolio of emerging products. And sometimes, you might characterize them as like emerging higher power products that are creating emerging applications. So some of that benefit has obviously come from the real traction we've seen in the EV investments like, right? So these are not -- there's some material processing applications in there that are fairly specialized, things like the foil cutting and cleaning applications. The cleaning market is forecast to become significantly larger. You're displacing very environmentally unfriendly processes there, whether it be solvents or abrasives or other media blasts, chemicals. But you're referencing some of the more non-materials processing areas that have also seen some very good growth in the last 18 months or so. Clearly, the green laser has got a lot of traction in solar cell

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applications and renewable energy. It's interesting there, we're actually not so much driving productivity in the manufacturing process as in improving the efficiency of the solar cells themselves, which is really critical. We've got 2 applications that are driving each of them about 100 basis points improvement in solar cell efficiency. That's massive. You started to see a bit better performance from the micro -- other microprocessing applications with ultrafast and UV. So if you combine that with the green, you're approaching \$50 million of annual business there within microprocessing applications, perhaps like 10% share of -- excluding lithography and annealing. Other strong growth drivers, we've been very pleased with the performance of the medical business, which went from a very, very low, we were less than \$5 million a year in medical last year, to it's approximately \$30 million. We target is in -- to grow that -- double that sort of into 2022 and then really grow that business to \$100 million and then try and get to 20% share of the medical business. The interesting part of the medical applications is that there's a significant part of that, that could be -- is being driven by consumable fiber. So each of these procedures, single-use fiber applications within lithotripsy and other soft tissue surgical applications that we're going to introduce the revenue that you can see even with one procedure a day being performed on a system can amount to almost 50% of the system's value. The other area that we've seen very strong performance from has been advanced applications last year. So government and directed energy applications. We've sold single-mode lasers, 100-kilowatt lasers, 30- and 50-kilowatt lasers. So those advanced applications processing of destructive capability on materials and even thicker materials outside of cutting, that was a very strong driver of growth."

**Clean Harbors (CLH)** at UBS Industrials Conference on Infrastructure creating opportunities... "o we are in a hazardous waste disposal business, Jon. And so when you're doing infrastructure, building bridges, fixing bridges, fixing roads, anytime you put a shovel in the dirt, you're going to find that special industrial area, you're going to find as its waste. And that's going to create opportunities for us to remediate that waste. And so investments in the U.S., whether it be through the infrastructure bill, clean energy bill or other areas or a colo reshoring of offshore operations in connection with getting closer to their customers. And all of those provide opportunities for us in the U.S. where 88% of our revenue in Q1 came from the U.S., 12% in Canada and really more investment in the U.S. is always a good thing for us, whether it's through government program to the infrastructure bill or through investment in chemical plants is the conical renaissance or to onshore and dries in certain areas of our business."

**IAA (IAA)** at Baird Consumer Conference on its International bidder network... "As we said on our -- just to kind of frame, we said on our first quarter call that growth in international bidders on our platform was up 50% from the first quarter of 2020 to the first quarter of 2021. So that would give you some sense of the level of growth. So we still think that we're -- we've made a lot of progress. When we came out of the spend, we said that this was an area that we felt that we needed to really focus on that maybe we're a little bit behind on, but that we really needed to focus on and invest in. And we've done that in terms of the type of resources we brought to the company, people as well as actual investment in things like digital marketing, search engine optimization and other areas. And we've really increased and enhanced our capabilities in those areas, and that's made a meaningful difference for us. Now we still believe that we're in the early innings there. So even though we've made significant progress in these areas, we believe that we're still in the early innings, and we have more to -- certainly more to gain there. So we are aggressively investing in growing our buyer platform and our global buyer platform overall. And so that will continue to be the case."

**Guardant Health (GH)** at Goldman Healthcare Conference on 2021 as a pivotal year... "If we think -- if we dive in into 2021 and think about some of the near-term catalysts for our business. Clearly, we had the launch of Garden Reveal back in February. And that is obviously opening up this opportunity on recurrence monitoring this \$15 billion TAM. That is -- I think it's obviously in its early innings, but it's an exciting opportunity. And so that

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launch couldn't have gone better. We're seeing a market where there are tests that require tissue sequencing. There are tests that are blood like CEA, which don't have very good performance. And so we see our offering as very singular in terms of really being able to hit the needs of the market in a way that is absolutely resonating with oncologists. And then I think in that area of the business, we are launching a tissue test as well. That tissue test, I think, is going to be very differentiated in the sense that it's going to be able to accept, I think, much more challenging specimen types, have a much better turnaround time. But more importantly, I think it's -- the way we're offering it is really going to be integrated with how we do liquid testing. And so Guardant360 on the liquid side. On the tissue side, are really going to try to answer essentially the driving question. The most significant question that a physician has, which is or need that he or she has, which is find me any biomarker possible in this patient and get it to me as quickly as possible, so that I can put this sick patient on treatment as quickly as possible. And then finally, as I alluded to before, we're still on track for finishing our ECLIPSE trial later this year, 10,000 patient colorectal screening trial. We presented data at ASCO recently. One of the largest cohort of CRC positives really ever tested. I think, over 1,300 patients there in that presentation. And saw, I think, very compelling performance of 91% sensitivity with 94% specificity that, I think, puts us in excellent shape for really, I think, a fantastic product if Eclipse is successful."

**Elastic (ESTC)** at BAML Tech Conference on its TAM and growth levers... "And we've talked about this for some time now in terms of a long-term opportunity and how we need to invest against that opportunity. When I step back and think about it, the TAM that we outlined was a \$78 billion TAM. And if you look at our guidance, that's basically a 0.1% penetration of that TAM. So we're looking at this massive opportunity set ahead of us, and we're investing aggressively towards that. So we wanted to at least put an objective stake in the ground so that people have a sense of clarity on what we're investing towards. So we talked about some of the macro trends around just data volume explosions and so forth. If I think about it more in the context of our business, we have a very powerful land-and-expand motion. And we sign up new customers -- quite a strong number of new customers every quarter. You've seen that in some of the results over the past several quarters, including Q4 here, which was particularly strong in terms of new customer additions. And then a lot of those customers over time will continue to increase their spend with us. And the initial land can take 2 forms. people can sign up on the web for monthly cloud service, which is essentially a self-serve model. Or if it's a sales-led motion, and there's an initial land transaction, chances are they'll have adopted us initially for one particular use case or solution. It could be a departmental project. It could be something unique that they are trying to do with respect to either Observability or Security or Enterprise Search. And then as those underlying drivers kick in, where they see higher data volumes, they see the benefit that they're getting from the Elastic stack, they'll extend into additional areas. You'll start ingesting data from more sources. They will set up more projects across divisions, across departments for the same use case or in many instances, start to extend across those solution areas. If you're observing, why not also protect because it's the same underlying data set. So with security folded into the Elastic Stack, we just made every Observability practitioner a threat hunter as well. So I think people see a lot of benefit in that. So I think those are some of the motions that help us. And then as they continue to deploy more and more workload shift to the cloud, I think that just adds even more emphasis to that growth."

## Earnings Grid

Stock	Open Interest	Historical Moves	Avg. 6 Q Max Move	Implied Move	Short Float	SI Change (3mo)	IV30 Skew
MRVL	June \$49 Short Calls 11K; 5K June \$47 Put Buy; 8K Aug \$65/\$80 Call Spreads	Higher 3 of 5, Lower Last 2	9.20%	4.97%	2.60%	-58.7%	7.05%
COUP	945 Jan 2023 \$400 Calls Bought / 1K June \$300 Puts Bought / 1850 Jan \$500 Calls Bought / 4500 Jan \$450 Calls	Lower Last 3, Higher Prior 5	11.70%	6.98%	12.84%	-1.2%	3.64%
SFIX	4500 June \$50 Puts Bought / 4400 June \$55 Puts Bought	Lower 4 of 5	26.20%	15.85%	45.00%	31.5%	-6.06%
MTN	850 June \$350 Calls Bought / 400 July \$290 Short Puts / 1600 Jan \$330 Puts Bought	Lower 3 of 5	6.00%	4.42%	5.95%	-3.4%	-5.74%
PATH	June and Aug Put Accumulation	No History	No History	15.26%	-	-	7.10%
ASO	4000 Dec \$35/\$45 Call Spreads / 1K Jan \$45 Call Buy / 12K June \$40 Call Buys / 8K July \$40 Call Buys	Higher 2 Reports	11.00%	11.37%	32.00%	5.4%	-12.00%
THO	2250 June \$120/\$135 Call Spread, Short \$105 Puts	Higher 3 of 4	10.30%	7.14%	11.91%	-27.6%	1.30%
CPB	10K June \$46 Short Puts / 2900 July \$48 Short Puts / 1200 Jan \$43 and 1800 Jan \$47 Calls Bought	Lower 3 of 4	6.00%	3.72%	6.33%	8.4%	0.69%
LOVE	No Notable Size in OI	Higher 4 of 7	27.35%	12.70%	19.06%	-1.5%	2.54%
UNFI	3K June \$35 Call Sales / 3K Aug \$25 Put Bought / Aug \$40, \$35 Put Buys	Lower 11 of 12, Higher Last 1	20.60%	14.25%	21.52%	-24.3%	0.72%
GME	2K Aug/Nov \$150 Put Calendar	Lower 10 of 11	19.95%	20.59%	67.11%	16.0%	-53.22%
RH	1200 Jan 2023 \$320 and \$310 Short Puts / Jan \$470 and Nov \$360 Put Sales 500X	Lower 3 of 5	14.14%	8.38%	23.35%	19.1%	1.18%
VRNT	Small Dec. \$45 Call Buying	Higher Last 3	12.10%	50.08%	2.10%	-8.6%	7.35%
SIG	June 62.5/70 Call Ratio 1000X2000	Lower 3 of 4	17.80%	10.90%	23.76%	-10.2%	0.83%
CHWY	Lots of Action, Leans Bullish / 5500 July \$70 Short Puts	Lower 4 of 5	9.06%	7.83%	23.19%	18.8%	-1.36%
PLAY	2500 Weekly \$45 Calls Bought / Jan \$35 Short Puts 4925X / 1800 July \$50 Call Buys / 18K Jan \$25 Call Buy	Lower 6 of 8	9.63%	8.85%	29.47%	-3.4%	6.92%
FCEL	5K Jan 2023 \$25 Calls Bought / 4500 July \$14 Call Buy / 2K Oct \$16 Short Puts / 3K Jan 2023 \$30 Call Buy	Higher 3 of 5	20.80%	13.61%	39.92%	26.1%	-7.04%

## Earnings Review

Ticker	Stock	EPS Actual	EPS Est.	Revs Actual	Revs Est.	Y/Y Change	Notes
BEST	BEST Inc.		-\$1.12		\$6,987.57		
CVGW	Calavo Growers	\$0.43	\$0.44	\$276.80	\$267.63	-1.60%	FY In Line
CASY	Casey's General		\$0.86		\$2,173.74		
CMTL	Comtech Telecom	\$0.26	\$0.02	\$139.38	\$140.55	3.10%	FY Below
ABM	ABM Industries	\$0.82	\$0.71	\$1,497.40	\$1,475.00	0.10%	FY Above
PATH	UiPath	-\$1.11		\$186.2		64.6%	

**PATH** – EPS and Revs Above, Q2 In Line - “We had an exceptionally strong start to fiscal year 2022 with first quarter ARR growing 64 percent year-over-year to \$653 million, a testament to our leadership position in enterprise software automation,” commented Daniel Dines, UiPath Co-Founder and Chief Executive Officer. “We believe automation is the next layer in the software stack. Our vision is to enable the fully automated enterprise through our unique combination of UI Automation, API Management, and AI to best emulate human workers and help organizations assign all automatable work to robots enterprise-wide. Our end-to-end automation platform, flexible deployment model, and growing ecosystem of partners position us well to capitalize on the more than \$60 billion market opportunity ahead of us.” Ashim Gupta, UiPath Chief Financial Officer, added, “I am pleased with our first quarter fiscal 2022 results as we continue to execute well against our land and expand go-to-market strategy. We have experienced rapid growth and now have over 8,500 customers worldwide, including 1,105 customers with ARR of \$100,000 or greater and 104 customers with ARR of \$1 million or greater. Given our existing momentum, we plan to continue to invest in growth while maintaining operational rigor as we run our business.”

### Earnings Before the Open

Ticker	Stock	EPS Actual	EPS Est.	Revs Actual	Revs Est.	Y/Y Change	Notes
BF.B	Brown-Forman		\$0.33		\$774.20		
CPB	Campbell Soup	\$0.57	\$0.66	\$1984.0	\$2,007.60	-11.3%	FY In Line
LOVE	Lovesac	\$0.13	-\$0.56	\$82.90	\$75.06	52.40%	
UNFI	United Natural Foods	\$0.94	\$0.92	\$6,620.0	\$6,809.46	-5.9%	FY In Line
VRA	Vera Bradley		-\$0.19		\$100.86		

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## Disclosures

### Disclaimer:

#### 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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