



## Inside Today's Blitz

- Global Markets Rise as Vaccine Race Brings Promising Early Results
  - Markets Walk Dangerous Tightrope Before US Stimulus Expires
  - US, China Continue to Drift Towards New Cold War
- MRNA's** COVID-19 vaccine showed a positive response in early trials, says NEJM; positive profile of **Oxford's** vaccine also; **AirBnb** positive booking trends through 7/8; **AAPL** wins big in tax dispute with Ireland; **LCII** guides way above the Street as RV demand soars

## Market Outlook

Futures are indicating a strong open for the day (SPX +1.18%, QQQ +0.91%, Dow +1.45%) with positive early data from **Moderna (MRNA)**'s vaccine candidate. The initial safety trial was overall positive, even though there will be a lot of dissection of the data especially side-effects, but did show all patients produced antibodies to COVID-19 and Dr. Fauci called the results "good news." Oxford's vaccine candidate also in the news with a positive profile in Bloomberg and remaining on track for trials in September. Overall, the news is positive and the 'normalcy' plays are rallying premarket like airlines and cruises. Elsewhere, US/China relations continue to worsen as POTUS made a big decision yesterday to strip Hong Kong of special privileges. He also sanctioned more officials involved in the move from China. Overall, not anything unexpected but some banks linked to HK may see some pressure (HSBC, etc.) and some commentary that any hopes of further trade talks before November are now about zero. Finally, eyes on OPEC as they are widely expected to announce plans today to start tapering production cuts starting in August.

Asian markets were mixed this morning with most higher on optimism over a vaccine. China was a weak spot after Trump's comments on Hong Kong. The Nikkei hit a 1-month high as the BOJ stood pat. Iron ore prices jumped and lifted **BHP, Anglo American, Antofagasta** and **Rio Tinto**. European markets are also rebounding on hopes of a vaccine. All eyes are also on the ECB tomorrow. Travel and leisure names are strong with the vaccine as **TUI, Lufthansa, EasyJet**, etc. all rally. Swedish telecom operator **Tele2** rose 4% after reaffirming their outlook and dividend. Italy's **Atlantia** up 21% after resolving a dispute over a 2018 bridge collapse. Swatch up 4% after some job cuts. Med-tech company **Draegerwerk** rose 11% after positive preliminary numbers. Mowi, the world's largest fish farmer, rose 6% as volumes topped forecasts. **ASML** traded basically flat after earnings. **Burberry** down 7% after warning on Q2. Swedish bank SEB AB was down 2.5% after earnings as credit loss provisions soared.

## Calendar

**Today...** Import/Export Prices at 8:30am, Empire State Manufacturing at 8:30am, Industrial Production at 9:15am, Beige Book at 2:00pm. Earnings after the close from **AA, SNBR**

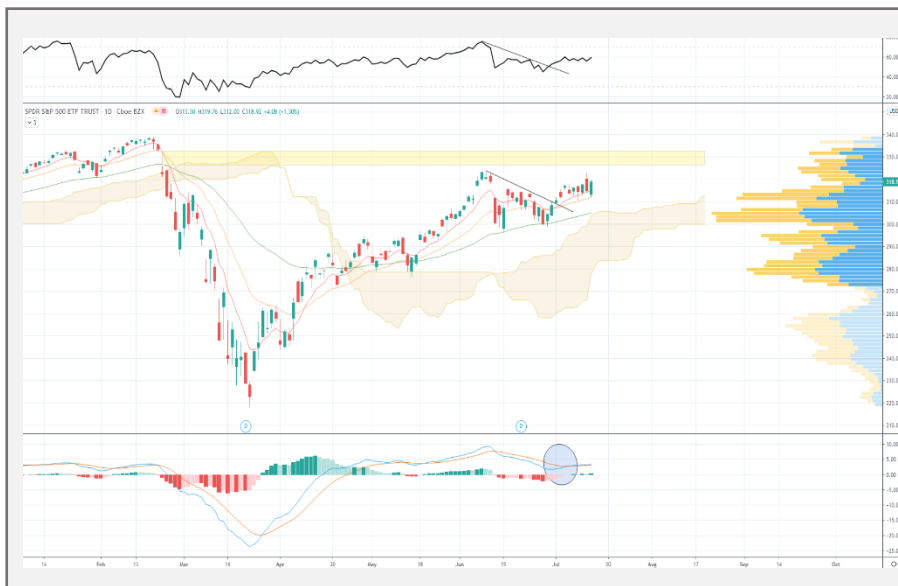
**Tomorrow...** Import/Export prices, Industrial Production, Beige Book, BOJ Rate Decision, China GDP, China IP

**Earnings tomorrow BMO:** ABT, ANGO, BMI, BAC, DPZ, HOMB, JNJ, MS, SON, TSM, TFC, WNS

## Overnight Markets

Lumber	511.5	3.60%
Oil (WTI)	40.92	1.56%
Platinum	846	1.10%
Silver	19.71	0.92%
Natural Gas	1.756	0.57%
Copper	2.9285	-0.10%
Gold	1807.7	-0.31%
US Dollar	95.84	-0.38%
Bonds	179.41	-0.49%
VIX	28.6	-3.46%

## Technical View



### Key Levels to Watch

A quiet night overall for S&P futures after gapping up at 5pm following the MRNA news. We basically traded between 3215 and 3200 all night before a rally here into the US open. We're a bit extended now at 3,228.75 but moving just above Monday's peak and could continue to gain momentum higher past 3,231.25 and the June highs -- we'll be watching early for breadth. Overnight VWAP is at 3210.5 and for the week down at 3175.

## Economic Data

- BOJ kept rates **unchanged**, as expected
- South Korea's unemployment rate unexpectedly fell in June
- South Korea exports fell 10.9%, in line; Imports fell 11.2% in June
- UK CPI was **0.1% vs -0.2% est.**

## Sentiment

- The **IPO market** is making a comeback. Bloomberg notes that issues are surging as roadshows are becoming more condensed and a better market environment is leading to big first-day gains
- **Long US Tech** is the most crowded trade for investors, according to a recent BAML survey. 74% of respondents. Long gold and long cash are the next two highest.
- **US MBA Mortgage Applications** +5.1% vs. +2.2% Prior

## Macro News

- **Hong Kong** – POTUS signed sanctions legislation last night on Chinese officials who crack down on the rights of Hong Kong residents to free speech and peaceful assembly.
- The Fed's **Harker** spoke yesterday afternoon and said the employment crisis would be worse without PPP

### Movers

**Gainers:** MRNA 13.3%, AAL 9%, UAL 7%, RCL 6.5%, CCL 6%, DAL 5.5%, SAVE 5.5%, MGM 6%, LUV 5%, AZN 4%, BHP 3.4%, HAL 3%, BA 2.7%, DIS 2.4%, AAPL 1.8%

**Losers:** PRCP -14%, NIO -1%

### Insider Buying

NKTX, SAIC, AXGT

### Smart Money (13D/13F Filings)

### IPO Monitor

**Go Health (GOCO)** issuing 39.5M shares at \$18-\$20; online health insurance marketplace

**nCino (NCNO)** issuing 7.6M shares for \$22-\$24; cloud-based software for financials

**Relay Therapeutics (RLAY)** issuing 14.7M shares at \$16-\$18; clinical stage oncology company

**Treat Insurance (TIG)** issuing 10.7M shares at \$13-\$15; focused on specialty risks within the casualty market

## OptionsHawk Market Blitz

- **Phase 2** – Trump said yesterday that he is not interested in moving forward with the deal w/ China, per Reuters
- **Student Visas** – The WH is quickly backing away from a proposal to limit International student visas due to online learning standards, says Politico
- **US/China relations in ‘free fall.’** The NYT looks at how the two sides are drawing new lines over Hong Kong that may be difficult to recover from.

---

## Stock-Specific News

### Consumer

- **MacAndrews & Forbes is looking to sell some assets.** The business run by Ron Perelman is looking to rework its holdings as the pandemic has hit profits and upended strategies, says Bloomberg. M&F currently backs **REV, SGMS, Vericast** and **AM General**.
- **Burberry set to cut jobs, restructure amid sales fall** – The company will continue to focus on gaining share in handbags. Earnings were also light as guidance indicated they expect headwinds in 2H due to tourist flows.
- Retailer **Asos** saw sales surge during lockdown thanks to casual and active wear, says The Guardian.
- **PVH to restructure, streamline operations.** The company's actions include exiting its 162 outlet store Heritage Brands Retail business and reducing its office workforce by 12%.
- **Sirius XM (SIRI)** Approves \$2B Buyback, leaves dividend unchanged
- **CMCSA's** streaming service Peacock debuts today
- **Delivery Hero SE** Says Open to Deal with **Rappi** or **Glovo** – Bloomberg note the CEO has said they don't need to do M&A but “But of course, if good opportunities come up, then we won't hesitate to take them.”
- **Cirque de Soleil** is set to accept a recapitalization offer from a group of lenders, bypassing TPG
- **Gold's Gym** has been bought for \$100M by **RSG Group**
- **KRUS** sees Q3 below street, comps down 85.4%
- **Paper Store** has filed for bankruptcy
- **VOX Media** is preparing for layoffs, says the WSJ
- **Mowi ASA**, world's largest fish farmer, jumps as volumes beat forecasts

### Hawk's Take

M&A in food delivery remains hot after recent deals for **GrubHub** and **PostMates**

### Financials

## OptionsHawk Market Blitz

- **SIGI** Guides Q2 EPS Above Consensus
- **UBS** – The Dutchman UBS is Counting on to Disrupt Wealth Mgmt., Bloomberg profiles former ING leader Ralph Hamers
- **PAYX** CEO was on Mad Money and said that half the companies that suspended processing are back
- **LMND** Launches Pet Health Insurance
- **WFC** CFO said he doesn't see the dividend falling to zero, per Bloomberg. They cut the dividend this morning.
- **ACGL** sees Q2 catastrophe losses of \$205M to \$225M
- **CINF** sees Q2 catastrophe losses of \$231M but NPW growth of 5-6% and improvement in investment results
- FSOC will start activities-based review of secondary mortgage market for financial stability

### Hawk's Take

**Trupanion (TRUP)** continues to face rising competition in pet insurance after **Zoetis (ZTS)** launched Pumpkin and now **Lemonade (LMND)**

## Healthcare

- **Moderna (MRNA) COVID-19 vaccine data shows immune response.** According to data published in the NEJM, their vaccine candidate led patients to produce antibodies that can neutralize the virus with some minor side-effects.
- **Oxford's** vaccine candidate is positively profiled in Bloomberg's long-form magazine this week and notes that it is 'far ahead of competition'
- **MRK** CEO Ken Frazier was cautious on any vaccine hopes yesterday mid-day noting that people who say to expect a vaccine by year-end are doing a 'disservice to the public'
- **BSX** is looking to sell their snake-venom unit. Bloomberg says it could fetch \$1B.
- **MDT** to Acquire Medicea at a 22% Premium for \$154M
- **LVGO** CEO was on Mad Money and said he expects many more companies to move to Livongo in the near future
- **PRQR** reached a \$30M financing pact with **Pontifax**
- **AZN** Backed Oxford vaccine may post positive news Thursday – ITV
- **HCA, THC** – Hospitals look to resume normal operations, but patient still fear seeking care - CNBC

### Sympathy Movers

This news is lifting the market in general but 'back-to-normal' plays like **airlines, cruises, casinos**, etc. all could outperform. Also would watch **LYV, PLNT, SIX**

## Energy/Materials

- API Data Show 8M Barrel Drop in US Crude Supplies
- **FANG** is bringing all of its curtailed production back online

## OptionsHawk Market Blitz

- Peru's largest copper mines should be back to full production by the end of July, says the local mine engineers institute. **FCX** operates in South America.
- **FCX** – Surging copper prices signal optimism about global growth – WSJ
- **MP Materials**, a Rare Earth company, to go public via blank-check company - WSJ

## Industrials

- **LCI Industries (LCII) Guides Q2 Way Above Street Consensus on RV Demand.** Recent RVIA survey reported that 46 million people intend on taking a trip in an RV in the next 12 months
- Bloomberg with a positive profile of **Axon (AAXN)** as it transitions to more software offerings. The pivot would theoretically improve Axon's growth profile given its saturation in the U.S. law-enforcement market.
- Some workers are calling for **automakers** to shut down production amid a surge in COVID-19 cases, says NYT
- **BA** saw 355 MAX cancellations in 1H of 2020
- German shipping/container company **Hapag-Lloyd** posted strong results despite warning of risks to global economy
- **HeidelbergCement** sees Q2 above Street
- Italy's **Atlantia** to sell majority stake in toll road business to CDP

### Sympathy Mover

**PATK, CWH, WGO, THO** in focus with LCII commentary

### On the Site...

**AAXN** saw sizable insider buying in March. Members can check our archives for the write-up.

## Tech/Telecom

- **EU Courts Rule Apple (AAPL) doesn't owe Ireland \$15B in taxes.** The European Commission can still challenge this ruling
- **Facebook (FB), Sony (SNE) are ramping output of gaming devices** – Nikkei noting that the two are set to boost output by 50% as home entertainment is thriving during the pandemic.
- **Google (GOOGL)** invests \$4.5B in India's **Jio Platforms**, takes a 7.73% stake.
- **TSMC (TSM)** is seeing capacity utilization rates for 16nm pick up, says Digitimes
- **Airbnb** says they booked 1M nights worth of future stays on the platform for the first time since 3/3
- The WSJ with a look at how **GOOGL's** search favors **YouTube** over rivals when directing users to video sources
- **CLGX** says Cannae, Senator have not revised their offer but they are open to talks. The company rejected a \$65/share proposal on 6/26.
- **AMZN** is testing a smart grocery cart that identifies and charges you for items, says Tech Crunch

### Sympathy Mover

**EXPE** a possible positive read-through to their Home Away business

## OptionsHawk Market Blitz

- Software maker **Datto** has filed confidentially for an IPO. The company makes cloud-based data backup software and could be valued around \$1B, says Bloomberg
- Identity-as-a-Service company **Auth0** has raised \$120M at a \$1.92B, says Venture Beat
- The UK set a goal of 2027 to remove **Huawei** from its 5G network, says the NYT
- **GOOGL** was fined €600K over a privacy rule violation, says Reuters
- **VHC** has lost a patent fight with **AAPL**

---

## Analyst Notes

**Featured: Livongo Health (LVGO) initiated Buy at Credit Suisse, \$132 PT.** LVGO operates in a highly underpenetrated and growing chronic care market. With a little over \$350 mln in annual rev (CS 2020 est), LVGO is barely scratching the surface in a market which the company sizes at \$46.7 bln (combined TAM for U.S. opportunities in diabetes & hypertension). We believe this estimate is conservative for four reasons: 1) LVGO uses chronic disease prevalence and population estimates using 2015 data, which have moved exponentially higher today; 2) TAM does not incorporate its other solutions, Prediabetes & Weight Management and Behavioral Health; 3) there are several other areas of chronic care management that are largely underpenetrated where LVGO has yet to enter; and 4) LVGO's TAM estimates do not incorporate international expansion.

## Upgrades

- **HOG** Raised to Buy at UBS, firm is positive citing the potential for significant dealer inventory reduction, reduction in US dealer locations, potential delays in new bike intros, a scaled-down version of its regular line-up, and a potential withdrawal from certain international markets.
- **GPS** Raised to Outperform at RBC, notes "secular post-COVID tailwinds" at its more popular Old Navy and Athleta brands
- **HAL, SLB, PUMP** Raised to Outperform at Cowen, the firm thinks Q2 could mark a near-term, and potentially cyclical bottom in EBITDA for most OFS companies
- **TDY** Raised to Buy at Jefferies, \$360 PT the company has a history of margin expansion following market dislocations
- **MOS** upgrade to Buy at Citi, sees upside to diammonium phosphate prices in the second half of 2020
- **HRB** upgraded to Buy at Northcoast, \$20 PT

### Inside the Hawk Database

**HOG** options have actually turned bullish recently since 6/23, buyers active in the August \$27.5 calls, July \$25 calls, and January 2021 \$22.50 calls. The LEAP January 2022 \$22.50 and \$25 calls also with buyers on 7/9.



## OptionsHawk Market Blitz

- **NMIH** upgraded to Buy at JP Morgan, \$18 PT
- **TAP** upgraded to Buy from Sell at Bryan Garnier
- **CX** upgraded to Buy at Credit Suisse
- **HBI** Raised to Strong Buy at Ray-Jay; Raised to Neutral from Underperform at BAML
- **ALLY** Raised to Overweight at JPM
- **ENB** Raised to Overweight at MSCO
- **ATUS** Raised to Buy at HSBC

### Inside the Hawk Database

**HBI** catches multiple upgrades, recent buyers active in August and October call options

## Downgrades

- **FTNT** Cut to Neutral from Buy at Goldman, citing a more balanced risk/reward at current levels
- **AXP** Cut to Underweight at JPM
- **GWPH** downgraded to Hold at Stifel
- **WM** downgraded to Neutral at CIBC
- **WING** Cut to Neutral at Northcoast
- **SYF, SLM** downgraded to Neutral at JP Morgan
- **SC** lowered to Sell at JP Morgan
- **BUD** downgraded to Sell at Bryan Garnier
- **MRVL** downgraded to Neutral at Wells Fargo
- **ROLL, TGI, WWD** downgraded to Sell at Sun Trust; **TDG, AIR** cut to Neutral
- **SYF** cut to Neutral at JPM
- **ROLL, TGI** Cut to Sell at SunTrust; **TDG** Lowered to Neutral

### Inside the Hawk Database

**SYF** downgrade follows buyers of more than 7000 August \$21 and \$20 puts, though does have a 14,760 block of August \$23 calls in OI. SYF also has a lot of July puts remaining in OI that could pressure shares.

## Initiations

- **TALO** Started Buy at Stifel, \$17 PT; well-positioned to complete accretive acquisitions given its underutilized infrastructure and quality region
- **WDC** Started Outperform at Bernstein, the company has successfully diversified into to a broad storage solution provider spanning hard disk-drive and NAND; they started **STX** at Perform
- **MT** initiated Buy at Goldman, healthy balance sheet and modest expectations for a global recovery in steel demand
- **HXL** Started Overweight, \$55 Target, at KeyBanc citing strong liquidity, positive free cash flow, and variable cost structure that offer downside support
- **EQIX, DLR, CCI, SWCH, QTS** Started Overweight at Barclays, strong outperformance for the group lately but upside remains given large percentage of recurring revenues, likelihood of consolidation, and shift towards higher value-added services
- **FLT** Started Positive, \$310 Target at SIG
- **WEX** Started Positive, \$210 Target at SIG

### Inside the Hawk Database

The tower stocks have always been favorites with trends like 5G providing tailwinds, recent action has been limited but **DLR** sellers in the Oct. \$120 puts yesterday over 1300X while **SWCH** saw buyers in the Nov. \$20 calls on 7/1 for more than 2,000X

## OptionsHawk Market Blitz

- **EXTR** initiated Buy at B Riley
- **SAM** Started Outperform at Evercore ISI
- **IMAX** Started Buy at Goldman, \$14 Target, positive on focus on blockbuster films, strong 2021 movie slate
- **EXTR** Started Buy at B. Riley

## Other Commentary

- **IPGP** largest customer Han's Laser reports a beat, BAML reiterated Buy
- **ELF** PT raised to \$25 at Piper, the firm sees both estimate and multiple expansion to come over the next 12 months
- **BPMC** PT raised to \$110 at HCW, Roche's leadership in precision medicines and existing global sales channels will make it possible for Blueprint to compete on an equal footing with **Eli Lilly (LLY)**
- **AAPL** Target to \$450 at Needham from \$350
- **LBTYA** PT raised to \$25.70 at Jefferies, merger of Liberty's UK operation with O2 UK adds "material and credible synergies"
- **TWLO** PT raised to \$243 at JMP, the company's new business from verticals such as education, retail, and healthcare appears to outweigh weakness in impacted industries such as ride-sharing, restaurants, and hospitality.
- **SWK** estimates raised, target upped to \$155 at BAML
- **CDNS** target raised to \$115 from \$98 at Benchmark
- **PENN** Target Raised to \$36 from \$28 at JPM
- **PINS** Target Raised to \$26 from \$17 at JPM; **SNAP** to \$28
- **FB** Target Upped to \$290 at JPM; **GOOGL** to \$1700

### Inside the Hawk Database

**ELF** recently with a buyer of 3,500 August \$20 calls on 7/10 and still has some size in the July calls expiring this week

## Earnings Review

Ticker	Stock	EPS Actual	EPS Est.	Revs Actual	Revs Est.
ASML	ASML	\$1.79	\$2.06	\$3,326.00	\$3,507.11
BK	BNY Mellon	\$1.01	\$0.92	\$4,010.00	\$3,909.54
GS	Goldman Sachs		\$3.91		\$9,759.78
PNC	PNC	-\$1.90	\$0.75	\$4,076.00	\$4,082.68
PGR	Progressive		\$1.36		\$9,724.48
USB	U.S. Bancorp	\$0.41	\$0.38	\$5,772.00	\$5,535.86
UNH	UnitedHealth	\$7.12	\$4.04	\$62,100.00	\$63,544.87

**GS – Beats EPS and Revenues Strongly** - Annualized return on average common shareholders' equity (ROE)<sup>1</sup> was 11.1% for the second quarter of 2020 and 8.4% for the first half of 2020. Annualized return on average tangible common shareholders' equity (ROTE)<sup>1</sup> was 11.8% for the second quarter of 2020 and 9.0% for the first half



## *OptionsHawk Market Blitz*

of 2020. During the second quarter of 2020, the firm recorded net provisions for litigation and regulatory proceedings of \$945 million, which increased net provisions to \$1.13 billion for the first half of 2020. These amounts reduced diluted EPS by \$2.60 and annualized ROE by 4.5 percentage points in the second quarter of 2020 and reduced diluted EPS by \$3.15 and annualized ROE by 2.8 percentage points in the first half of 2020. Investment Banking generated record quarterly net revenues of \$2.66 billion, including record quarterly net revenues in both Equity and Debt underwriting. Fixed Income, Currency and Commodities (FICC) generated quarterly net revenues of \$4.24 billion, its highest quarterly performance in nine years, reflecting continued strong client activity in intermediation and financing. Equities generated quarterly net revenues of \$2.94 billion, its highest quarterly performance in eleven years, reflecting strong performance in intermediation. The firm continued to scale the digital consumer deposit platforms, as consumer deposits increased by a record \$20 billion in the second quarter of 2020 to \$92 billion

**ASML** – Misses EPS and Revenues (+36.3%), Sees Q3 Above Street – Our second-quarter sales came in at €3.3 billion, a strong growth of over 35% compared to Q1. The gross margin came in at 48.2%, a significant improvement compared to Q1, primarily due to an improvement of the EUV installed base gross margin and the DUV mix. We shipped nine EUV systems and were able to recognize revenue for seven systems in the second quarter. The deferred revenue of four EUV systems that shipped in the first half of the year will be recognized after site acceptance, expected in the second half of the year. Our Q2 net bookings came in at €1.1 billion, including €461 million from EUV systems (three units). ASML has agreed to acquire all shares of Berliner Glas, a privately held manufacturer of ceramic and optical modules, which are important to support the future roadmap for our EUV and DUV products.

**UNH** – Beats EPS, Misses Revenues (2.5%), Reaffirms FY20 - We moved swiftly to assist the people we serve and their care providers, including the provision of \$3.5 billion in proactive voluntary customer assistance and accelerated care provider funding. We remain committed to taking further actions to address any future imbalances as a result of the pandemic. Second quarter 2020 net earnings and adjusted net earnings per share of \$6.91 and \$7.12 were substantially higher than anticipated due primarily to the unprecedented, temporary deferral of care in the Company's risk-based businesses. UnitedHealth Group's second quarter 2020 revenues increased \$1.5 billion to \$62.1 billion, reflecting growth at Optum and the UnitedHealthcare public-sector and senior businesses, partially offset by economic-related impacts at UnitedHealthcare commercial and global. The second quarter medical care ratio was impacted by the temporary deferral of care due to the pandemic, declining to 70.2% from 83.1% last year. The Company expects the medical care ratio to rise in coming quarters as needed care is accessed. Favorable reserve development was \$1.4 billion in the second quarter, nearly all related to the current year, and primarily due to higher than expected care deferrals in late March, further lowering the second quarter medical care

### Sympathy Movers on Earnings

**AMAT, KLAC, ENTG** on  
**ASML** Results

**ANTM, CI, CVS, HUM,**  
**CNC** on **UNH** Results

## OptionsHawk Market Blitz

ratio. Days claims payable were 50.4 days compared to 48.6 in the second quarter 2019 and 50.5 in the first quarter 2020. The operating cost ratio of 16.1% in the second quarter of 2020 increased from 13.9% in the same period last year, primarily due to the health insurance tax, COVID-19 response efforts and business mix.

## Trade Ideas



**NXP Semi (NXPI)** shares setting up with an ascending triangle nearing a breakout and a name with a lot of bullish open interest in September and January 2021 calls, a ten point move back to \$130 looks likely as Semi peers have seen strengthening Auto/Industrial end-markets.

**Small-Cap Focus – Nova Measuring Instruments (NVMI)** is a small cap growth name setting up with a bullish consolidation pattern under new highs and with positive news-flow across the Semiconductor sector, one that could make another trend move higher. NVMI provides advanced metrology solutions for the semiconductor manufacturing industry. Deployed by the world's largest integrated-circuit manufacturers, Nova's novel technologies provide semiconductor manufacturers with process insight and clarity required to boost process performance, product yields and time to market. Nova is a pre-play wafer fabrication equipment vendor exclusively in the optical and materials metrology market, and one just three companies in the thin-film meteorology market, one of the fastest growing process control segments. Future demand drivers for semiconductors include 5G mobile devices, data centers infrastructure, Artificial Intelligence, Augmented and Virtual Reality, Smart Sensors, internet-of-things and other electronic equipment. The \$1.38B company trades 20.78X Earnings and 6X Sales with a debt-free balance sheet. NVMI has a five year

### Daily Technical Scans

**RSI Leading Price:** EL, ETN, BF.B, ROK, MRNA, IQV, SWK, KSU, PKG, EMN, MOH, PNR, SMG, AOS, DIOD, ROCK, RUSHA, AIMC, KRA, GLT

**8/21 EMA Bull Cross:** UNP, BRK.B, JNJ, MDLZ, EL, DEO, XEL, MFC, VIAC, APTV, KSU, WRB, LNT, DOV, SEIC, NI, GGG, OSK, AGCO, FLS, HUBB, AIT

**"Ready to Run":** MA, SNY, UNP, MMM, FIS, ECL, CSX, ROP, ETN, APH, CTAS, AZO, OTIS, PH, ADM, AME, CTVA, AMP, TFX, KSU, ZBRA, BRO, TRMB, RPM, PKG, RDY, AMH, XPO, PII, DECK, PWR, CHDN, SITE, LANC, NOMD, LFUS, CCXI, FTDR, SSD, RXN, ENS, GOLF, AIMC, WOR, ACA, BMI, DY, MBUU, PAHC

**Bull Reversal:** AMH, CCXI, MSFT, ABBV, CRM, ATVI, MU, IQV, NBIX, ODFL, NBIX, AYX, CGNX, RH, MRTX, BHVN, BPMC, FATE

## OptionsHawk Market Blitz

revenue growth CAGR of 13% and operating income growth of 19% with \$200M in cash reserves. NVMI has growing addressable markets estimated at \$1.2B.

### What They're Saying

**JP Morgan (JPM) CEO Jamie Dimon on why you'll see fewer delinquencies (home, autos, etc.) during this recession...** In the normal recession, unemployment goes up, delinquencies go up, charge-offs go up, home prices go down, none of that's true here, incomes go down, savings go down. Savings are up, incomes are up, home prices are up. So you will see the effect of this recession, you're just not going to see it right away because of all the stimulus, and in fact, 60% or 70% of the unemployed are making more money than they were making when they were working. So it's just very peculiar times.

**LCI Industries (LCII) on Outdoor Recreation Market:** "Increased demand for RVs drove accelerated outdoor recreational products sales, which was well ahead of increasingly bullish expectations as we moved through the early part of the second quarter. In this post-COVID environment, RVs continue to be one of the safest ways for American families to take a vacation. Underscoring this strength, a recent RVIA survey reported that 46 million people intend on taking a trip in an RV in the next 12 months... While only time will tell the ultimate trajectory of the COVID-19 pandemic, I am confident that our industry will be even better positioned in a post-COVID world due to a more favorable environment for outdoor recreational products"

### Open Interest Checks

Ticker	Contract	OI Checks		
		Prior OI	New OI	OI Change
KR	September \$30 Calls	1,619	3,887	140.09%
UNP	November \$175 Calls	3,299	6,542	98.30%
FB	August \$240 Calls	10,546	19,216	82.21%
DKNG	August \$45 Calls	7,211	12,919	79.16%
SNAP	January 2022 \$25 Calls	3,965	7,000	76.54%
CRWD	September \$130 Calls	1,109	1,776	60.14%
ALT	August \$40 Calls	3,091	4,675	51.25%
SBUX	September \$72.5 Short Puts	1,221	1,826	49.55%
VAPO	August \$55 Calls	2,013	2,513	24.84%
SLB	January 2022 \$15 Calls	4,943	4,520	-8.56%
NVDA	September \$420 Calls	2,956	2,693	-8.90%
MTCH	January \$95 Calls	2,002	1,687	-15.73%
FB	September \$190 Calls	6,630	4,636	-30.08%
AXNX	October \$50 Calls	2,508	614	-75.52%

## Extras

**Phillips 66 (PSX)** with over 2000 January \$75 calls sold to open down to \$2.80

**PVH (PVH)** late spreads sell 1000 August \$35 puts to buy the \$50/\$55 call ratio spread 1000X1500

**Blackstone (BX)** with 1763 June 2021 \$40 calls opening \$16.18 as January adjusted out six months

**Global Payments (GPN)** late day buys of 1200 August \$170 calls \$5.50 to \$6

**Anaplan (PLAN)** buyer 1200 January \$33 puts \$2.25 to open

**Five Below (FIVE)** with 500 August \$105/\$120 call spreads bought for \$2.95

**Ring Central (RNG)** buyer 500 July 24<sup>th</sup> (W) \$260/\$270 call spreads

**Z-Scaler (ZS)** buyer 500 November \$150 calls \$8.45 to \$8.50

**Salesforce (CRM)** with 700 August \$190 puts sold to open for \$10

**Shopify (SHOP)** buy-write sold 150 January 2022 \$1560 calls for \$119.60

---

## Disclosures

### **Not Investment Advice or Recommendation**

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

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

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