



Inside Today's Blitz

- President Biden Says His \$3.5T Spending Plan Won't Stoke Inflation
- IEA Cuts Outlook for Oil Demand as COVID's Latest Surge Continues
- **DASH** has looked at buying **Instacart**, per reports; **DM** to buy **XONE** in a cash-and-stock deal; **AAPL** partner **Hon Hai** guides to a slowdown in Q3

Market Outlook

Futures indicating a flat open for the day with the **Dow** up 12 bps, the **S&P** up 5 bps, and the **Nasdaq** up 2 bps. The **Russell** is up 10 bps. Energy is quiet too with **WTI** down 12 bps. **Gasoline** is down 45 bps. **Gold** and **silver** both down slightly with the latter off by 42 bps. **Copper** is up 77 bps. The **dollar** is flat. **Bonds** are up 8 bps. **VIX** is 17.55. It is a very quiet morning again for macro news with stocks reflecting that in both Europe and the US. Yields are falling a bit into the PPI data later. Washington is now on recess until September which will quiet down the main narratives around spending and the budget (although they loom large when they return). The President's \$4.1T economic agenda will face a tough path through Congress. Elsewhere, COVID concerns continue to rise with more lockdown measures being weighed but nothing that isn't well known already and largely priced into stocks. China has shut down the world's third-busiest port due to an outbreak of

COVID while Australian rates continue to climb. An advisor in Japan told Bloomberg the virus is 'out of control' in Tokyo. Travel names in Europe are holding up well today after TUI had positive earnings and commentary on the 2H and 2022. IEA cut their outlook for oil demand due to COVID.

Asian markets are mixed today with the Hang Seng down 53 bps, Shanghai down 22 bps, and the Nikkei down 20 bps. In Europe, the major indices are modestly higher with the DAX up 39 bps, the CAC up 26 bps, and the FTSE down 17 bps. We're seeing outperformance in chemicals and insurance. Earnings remain the big focus with strong results from **Aegon**, **Zurich Insurance**, and **Deutsche Telecom**. **Stock Spirits Group** shares jumped 45% as the alcohol company agreed on a £767mln takeover offer by CVC. Consumer goods company **Henkel** fell 2.5% after it warned about rising prices and over-stretched supply chain. **Delivery Hero** fell 4% as the online food ordering company raised its GMV outlook for the full year after delivering strong performance in the second quarter. **Cineworld** rose 4.5% in London after the company said it was considering a plan to list its shares on Wall Street or partially float its movie chain Regal.

Calendar

Today... Earnings After the Close: ABNB, AQN, CRCT, DASH, FIGS, FLO, GLOB, MAX, PVG, RKT, RSI, SEER, SXI, VIAV, DIS, WPM, WISH, ZIP; **Analyst Days:** IDXX, FEYE; **Conferences:** Canaccord Growth

Tomorrow... Import/Export Prices, Michigan Consumer Sentiment; **International Data:** EU Trade Balance; **International Earnings:** Embraer; **Earnings Before the Open:** DSEY, ERJ, HNST

Overnight Markets

| | | |
|-------------|--------|--------|
| Copper | 4.402 | 0.80% |
| VIX | 17.55 | 0.61% |
| Bonds | 163.19 | 0.10% |
| Gold | 1753.6 | 0.02% |
| US Dollar | 92.92 | 0.01% |
| Oil (WTI) | 69.18 | -0.10% |
| Natural Gas | 4.049 | -0.25% |
| Silver | 23.4 | -0.40% |
| Platinum | 1008.5 | -0.70% |
| Lumber | 491.5 | -2.70% |

Technical View



Key Levels to Watch

S&P futures (ES_F) aren't doing much of anything at all overnight with limited range again and volumes low. We briefly broke above Wednesday's highs at 4444.25 after pulling back to Wednesday's value-area low near 4436. Overall, the balance continues to shift higher this week. Areas of interest above 4444 include 4447.5 and then 4453.75. A pullback has support at 4428.75, 4422.5 and then 4416.25.

Economic Data

- **UK** GDP was slightly above estimates but industrial manufacturing fell short while manufacturing slowed
- **EU** industrial production was 9.7% vs 10.3% est.
- **Japan** PPI was 5.6% vs 5% est.

Macro News

- **Yellen** is considering a trip to China this Fall, per Bloomberg, her first as Treasury Sec. This raises hopes for Biden to pull back on Trump-era tariffs on the country
- **China** is planning to sign a new law concerning national security and tech monopolies, per Bloomberg, as their crackdown and regulatory pressure isn't over yet
- **China** will increase oversight of their insurance industry, per Reuters
- **China** has shut down the world's third largest shipping port after a worker tested positive for COVID, per Bloomberg
- **Mexico** saw a record jump in COVID cases this week, per Bloomberg
- **The CDC** could OK guidance as soon as today sanctioning third vaccine doses for compromised individuals, per Bloomberg
- **Oil demand** forecasts have been cut sharply by the IEA due to the resurgence of COVID, per Bloomberg

Movers

Gainers: OPEN 20%, HIMS 11.5%, CANO 11%, SONO 10%, FOXL 10%, PLTR 5%

Losers: MDVL -27%, AEYE -26%, CPNG -12%, MQ -9%, RXT -7%, BEKE -6%, MDIA -5.5%

Insider Buying

TCX, ELAN, CCK, NYCB, RILY, GPN, KW, OXY, ET, IHRT, COP, DNB

Notable IPO Calendar

FinWise Bancorp (FINW) raising \$58M at \$183M market cap

Southern States Bancorp (SSBK) raising \$40M at \$174M market cap

Stock-Specific News

Consumer/ Business Services

- **DoorDash (DASH)** held talks to buy **Instacart**, says The Information. The talks were held in the last two months and price discussed was likely between \$40 billion and \$50 billion. Instacart initiated the talks
- **EBAY** expands buyback authority by \$3B
- **CVNA, ROOT** announce partnership to develop auto insurance solutions for their online platform; CVNA will invest \$126M in ROOT
- **FOX** deal for TMZ could be valued at as much as \$125M, says WSJ
- **FVRR** announced the launch of a loyalty/sub service for freelancers
- **BMBL, MTCH** profiled positively in the WSJ this morning. The 'Heard on the Street' column looks at how investor sentiment has soured on the names lately but both now trade at a reasonable price and long-term growth looks solid if investors can weather short-term hiccups
- **AAP** has room to run, says the WSJ's 'Heard on the Street', as America's aging car fleet will keep cash registers ringing
- **Cineworld** is considering a US IPO, says Reuters, as it looks to tap into the 'meme stock' craze that has taken over AMC
- European vodka maker **Stock Spirits** is being acquired by CVC Capital for \$1B, says Reuters, as the firm looks to tap the popularity of its booze among millennials
- **Delivery Hero (DHER:GR)** lower by 4.7% in Germany despite raising 2021 GMV view as more investments will lead to lower margins
- **Henkel (HEN:GR)** lower by 2.3% in Germany after delivering strong 1H results but cautious on supply chain and rising costs
- Sex-toy maker **Lovehoney, WOW Tech** are merging in a \$1.2B deal, says WSJ, as lockdowns have driven demand higher

Financials

- **REXR** to acquire three industrial properties for \$115M
- **RDN** expands buyback by \$200M
- **Zurich Insurance (ZURN:SW)** a top gainer in Europe rising 3.77% after posting an 86% rise in 1H profit while the Farmers business was weak
- **Aegon NV (AGN:NA)** higher by 7.25% in the Netherlands after reporting Q2 results, benefitting from investment gains and recovering economies
- UK-based insurer **Aviva** plans to return at least \$5.6B to investors using proceeds from recent asset sales, per Bloomberg

Healthcare

- **XERS** announced that the FDA has allowed the IND Application for its XeriSol levothyroxine for hypothyroidism

Chart Watch

EBAY trading flat after earnings but above \$68.50 can get some momentum back to recent highs at \$74

Hawk Database

MTCH buyers of the Aug. \$142/\$150 call spread on 8/11 and follows 1600 Sept. \$140 calls bought on 8/10

Chart Watch

RDN above \$24 clears a big volume node and multi-month range with room to recent highs at \$25.50

Industrials

- **Desktop Metals (DM)** to acquire **ExOne (XONE)** for \$25.50/share in cash and stock (\$8 in cash and \$17 in stock) or 6.4x 2021 consensus revenue estimates
- **BA** is set to receive clearance to fly the 737 MAX in India, per Bloomberg, leaving China as the last major holdout
- **TSLA** CEO Musk says the company is operating under extreme supply chain limitations for certain standard chips, per Reuters
- **Nissan** will halt production at a US assembly plant due to parts shortages from Malaysia, per Nikkei
- **DHI, KBH, TMHC, PHM** - The WSJ looks at how the **homebuilding industry** is restricting sales and pushing up new home prices. Builders have been hampered by labor shortages, steep lumber prices, material backlogs and a limited supply of ready-to-build land.

Energy & Materials

- **Array (ARRY)** announces \$500M capital commitment from Blackstone. Array intends to use the proceeds from the initial closing to repay existing indebtedness and fund growth initiatives
- **BLDR** to buyback up to \$1B in stock
- **RGLD** acquires royalty on Red Chris Mine for \$165M

Tech/Telecom

- **Deutsche Telecom (DTE:GR)** higher by 2.5% in Germany after posting strong results as CEO is back in deal mode evaluating options for the mobile towers unit while being in the middle of selling its Dutch unit
- **Hon Hai**, the main assembly partner for **Apple's (AAPL)** iPhone, guided to a sequential decline in revenue for the Sept. quarter, per Bloomberg, suggesting supply chain strains may be weighing
- **INTC** - Penetration rate of Ice Lake CPUs in server market is expected to surpass 30% by year-end, says Trendforce, as x86 remains dominant
- **SNAP** is losing some top talent from their Spotlight program, says CNBC, and many are heading to rivals like TikTok, Instagram and YouTube
- **Reddit** is seeking to raise \$700M in a new Series F round valuing the company at more than \$10B, per WSJ
- **Pegatron** expects notebook shipment to rise 15-20% in Q3, per Digitimes
- **Automotive chip shortage** is unlikely to ease until 2H of 2022, says Digitimes, as more foundry houses add supply
- **DRAM prices** are not likely to collapse in 2022, says Apacer's president, despite ongoing uncertainty

Hawk Database

DHI recent bullish write up with buyers in the Sept. \$95/\$80 bull risk reversal over 5500X

Chart Watch

SNAP chart remains strong with shares consolidating the earnings gap up well and a move above \$79 and then \$81 can start another leg higher to \$90

Analyst Notes

Upgrades

- **STX** upgraded to Neutral at Goldman Sachs on an improving cross-cycle in HDD fundamentals; analyst thinks he had underestimated the company's ability to gain share in nearline HDD, the pace at which gross margins would recover, and the expansion in STX's multiple
- **EXC** upgraded to Neutral at Mizuho based what the analyst views as an improved earnings outlook for Exelon Generation given the benefits from an increase in forward gas and electric prices and from improving odds for federal subsidies for nuclear generation
- **WEN** raised to Outperform at Evercore, anticipates an acceleration to 3% and 5%+ annual unit growth over the next 1- and 3-years, thanks to new franchisee incentives, an agreement with REEF Kitchens, and a structurally healthier franchisee base
- **CPNG** raised to Buy at Deutsche Bank
- **DOOO** raised to Buy at Northcoast
- **LYFT** raised to Buy at Northcoast
- **OGE** raised to Buy at Mizuho
- **SGFY** raised to Overweight at Barclays
- **MHO** raised to Outperform at Wedbush
- **CARG** raised to Buy at Needham
- **RCII** raised to Buy at Janney
- **RUTH** raised to Buy at CL King
- **SIMO** raised to Neutral from Underweight at MSCO
- **HFC** raised to Neutral from Underweight at Wells Fargo

Downgrades

- **PBF** cut to Underweight at Wells Fargo citing potential costs from several different regulatory and compliance events, including renewable fuel RINs, California's LCFS, and emissions limitations in Northern California
- **GOCO** downgraded to In Line at Evercore as the firm contends that GoHealth shares, and those of e-brokers in general, are likely to trade as dead money for the next six months at least due to a lack of catalysts; agent hiring concerns create uncertainty; and that agent supply-demand issues are here to stay for all e-brokers for the foreseeable future
- **COHU** downgraded to Sell at Goldman Sachs expecting persisting margin issues to drive negative revisions

Hawk Database

STX chart looks strong working out of a consolidation base and still has 13,800 Sep. \$115 calls bought in OI and 15K Jan \$140 calls

Hawk Database

RUTH basing nicely and recent unusual August and Sep. \$20 call buyers in OI

Hawk Database

PBF a name that has seen large put buys through September expiration and 8990 July 2022 \$5 puts bought on 7/22

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- **AZPN** cut to Underweight at JPM as annual spend is not expected to pick up until the second half of the year and free cash flow growth expected to be flat due to increased investments
- **RXT** cut to Perform at RJF
- **MU** cut to Equal Weight at MSCO
- **CARR** cut to Neutral from Buy at UBS
- **PSN** cut to Underperform at BAML
- **ATC** cut to Underweight from Overweight at JPM
- **V, MA** cut to Neutral at Daiwa
- **BECN** cut to Hold at Berenberg

Initiations

- **PSFE** started Buy at BAML, sees the company being uniquely positioned to capitalize on the rapidly growing U.S. iGaming market given its proven go-to-market playbook, attractive value proposition for both iGaming merchants and consumers, and established relationships and integrations with a majority of iGaming operators overseas and in the U.S.
- **ROVR** started Buy at Canaccord
- **ONEM, ALHC** started Overweight at Barclays
- **PGNY** started Overweight at Barclays
- **RDNT** started Overweight at Barclays
- **MITK** started Buy at HCW

Other Notes

- **GOOS** target raised to \$65 from \$50 at Baird valuation remains attractive given prospects for continued 2H demand improvements, and an eventual full operating margin recovery
- **DECK** target to \$540 from \$470 at UBS

Hawk Database

BECN unusual buying in October and December \$45 puts earlier this week on 8/10

Chart Watch

MITK been a sneaky strong name currently flagging tightly, and above \$22 can run to \$25.

Trade Ideas

3M Co (MMM) shares hitting the 'ready to run' scan today and looking to clear a downtrend from the April highs and multi-week consolidation above \$203. MACD is nearing a bullish cross and RSI out of a range above 55. The near-term range has room to move to \$210 and the bigger range measures out to \$230.



Technical Scans

Inside Days: BKI, NTES, COR, TEAM, RKT, DLR, TFX, INFY, PAYC, ADBE, OTIS, IEX, CPRI, SNPS, AVGO, AAPL, DGX

Bullish Reversal Days: PCOR, FANG, CNMD, TRU, EEFT, THX, KNX, MTSI, AVL R

Ready to Run: HUBG, ALSN, KBR, WSM, AXPP, FIGS, FL

Insider Focus

Conoco Phillips (COP) this week seeing the largest open market buy in over 20 years after director RA Walker bought 22,500 shares at \$55.50, a \$1.25M investment. COP has pulled back from recent highs and forming a nice base and higher low vs the April drawdown and earlier January pullback. The bigger weekly flag has upside to \$75-\$80. The \$75.5B company trades 11.4X earnings, 2.6X sales, and 8.5X cash with a 3% yield. COP has been benefiting from better prices for crude this year as well as volume gains from their acquisition of Concho which expanded their overall base. The late 2020 deal made COP the top producer in the Permian basin and looks smart in hindsight given the low debt taken on, rebound in crude prices and valuable acreage added. COP talked a lot last week about execution and meeting their guidance laid out in early 2021 which has allowed them to boost capital return and with prices staying resilient they likely increase distributions throughout 2021. Analysts have an average target for shares of \$72 with a Street High \$86. Piper raising estimates to \$80 on 7/23 as crude oil tightness adds further momentum to the robust free cash flow outlook and COP has upside due to accelerating shareholder distributions. Goldman Sachs positive on 7/1 as their 2022 capital spend guidance came in above initial estimates but it should be balanced out by a higher production outlook. Hedge fund ownership fell 5% last quarter. Short interest is 1.11%.



Open Interest Checks

| Ticker | Contract | Prior OI | New OI | OI Change |
|--------|---------------------|----------|--------|-----------|
| ASO | 17 SEP 21 38 CALL | 2,111 | 6,023 | 185.32% |
| QQQ | 15 OCT 21 340 PUT | 6,984 | 17,270 | 147.28% |
| UAL | 20 JAN 23 47 CALL | 1,890 | 4,572 | 141.90% |
| IWM | 15 OCT 21 200 PUT | 14,087 | 32,669 | 131.91% |
| CPRI | 17 SEP 21 62.5 CALL | 1,085 | 2,303 | 112.26% |
| ANF | 21 JAN 22 50 CALL | 1,863 | 3,853 | 106.82% |
| EDIT | 21 JAN 22 30 CALL | 1,141 | 2,340 | 105.08% |
| DOOR | 15 OCT 21 125 CALL | 1,001 | 2,041 | 103.90% |
| LUV | 21 JAN 22 55 CALL | 5,344 | 10,570 | 97.79% |
| CZR | 17 DEC 21 95 CALL | 864 | 1,699 | 96.64% |
| CMPS | 18 FEB 22 20 CALL | 1,053 | 2,058 | 95.44% |
| PUBM | 15 OCT 21 60 CALL | 2,251 | 4,240 | 88.36% |
| SLB | 15 OCT 21 27.5 PUT | 5,037 | 9,310 | 84.83% |
| VLO | 17 SEP 21 70 CALL | 4,238 | 7,177 | 69.35% |
| MU | 17 DEC 21 70 PUT | 4,131 | 6,864 | 66.16% |
| TJX | 15 OCT 21 75 CALL | 9,048 | 14,507 | 60.33% |
| TJX | 17 SEP 21 72.5 CALL | 1,233 | 1,877 | 52.23% |
| DKNG | 19 NOV 21 50 PUT | 3,537 | 5,371 | 51.85% |
| MQ | 17 DEC 21 30 CALL | 843 | 1,241 | 47.21% |
| Z | 17 SEP 21 100 PUT | 2,088 | 3,051 | 46.12% |
| UBER | 19 NOV 21 50 CALL | 4,266 | 5,870 | 37.60% |
| BA | 17 JUN 22 185 PUT | 1,477 | 2,016 | 36.49% |
| TDOC | 17 JUN 22 130 PUT | 2,965 | 3,981 | 34.27% |
| AA | 21 JAN 22 50 CALL | 3,640 | 4,578 | 25.77% |
| TGT | 15 OCT 21 270 CALL | 1,855 | 2,268 | 22.26% |
| CMCSA | 20 JAN 23 55 PUT | 2,319 | 2,827 | 21.91% |
| SCHW | 17 DEC 21 70 PUT | 1,057 | 1,268 | 19.96% |
| WBA | 17 SEP 21 50 CALL | 3,403 | 3,747 | 10.11% |
| CAT | 17 SEP 21 220 CALL | 4,313 | 4,721 | 9.46% |
| ATVI | 21 JAN 22 85 PUT | 6,549 | 5,875 | -10.29% |
| MGM | 20 JAN 23 35 PUT | 4,068 | 3,568 | -12.29% |
| ON | 20 JAN 23 30 PUT | 20,396 | 16,621 | -18.51% |
| PTON | 17 SEP 21 135 CALL | 5,240 | 3,991 | -23.84% |
| CRWD | 15 OCT 21 200 CALL | 2,162 | 1,415 | -34.55% |
| VSTO | 19 NOV 21 45 CALL | 3,718 | 1,223 | -67.11% |
| ALT | 17 SEP 21 14 CALL | 16,245 | 2,225 | -86.30% |

Extras

Dynatrace (DT) large late-day buyer of 3,250 November \$65 calls for \$4.80 to \$4.90

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Zynga (ZNGA) block of 30,000 September \$8/\$10 call spreads opens for \$0.32 in stock replacement

Las Vegas Sands (LVS) trade sold 3000 May 2022 \$50 calls \$3.25 in a buy-write

Okta (OKTA) opening sale 500 September \$220 puts for \$6.70

CDW (CDW) unusual buy of 200 March \$200 calls for \$13.60

Westinghouse Air Brake (WAB) big weekly breakout this week and late day action bought 2000 September \$90 calls to open \$2.15 to \$2.35

What They're Saying

Dynatrace (DT) at Canaccord Growth Conf. on how it is winning versus peers... "A couple of years ago, it felt like it was a little more competitive than it is today, actually. And one of the big reasons for that is that dynamic multiclouds are the platform of choice, and you can't just throw old tooling at it any longer. So we see less of the Cisco AppDynamics, New Relics. We rarely run into a Datadog or a Splunk out there. So it is a massive market. But I think a lot of it is that the problems that we solve for digital transformers, I mean, they have multigenerational technologies. They are quite advanced with cloud, but they connect it back into sort of a hybrid back end, and we're just uniquely positioned for it. The other thing with the digital transformers, the billion-dollar-plus companies that we target is that they have multiple apps, multiple lines of business. It's a complex environment. And we shine the greater the complexity. Because that's what we built the automation and AI for, was for those environments that just overwhelming amounts of data, variety, velocity, the amount of change, et cetera. So in those more complex environments, our combination of capabilities really shine."

Borg Warner (BWA) at JP Morgan Auto Conference on its electrification push... "So far, we are on track with project charging forward. So let me remind you a little bit what it means what charging forward means in 2025. In 2025, our goal is to have \$4.5 billion of revenue in BEVs, \$2.5 billion organic and \$2 billion inorganic. From an organic standpoint, you listed some of the wins that we've been able to announce. And we are on track. We've been very successful at the system-level with iDMs where we do it all with iDMs where we are the integrator, but also at the system-level with inverters, high voltage, coolant heaters, motors and others. From an inorganic standpoint, target is \$2 billion by 2025. We're pretty much a quarter of the way, 4 months after having announced Project CHARGING FORWARD. As the AKASOL acquisition is going to drive about \$500 million in revenue in 2025. So very happy with where we are right now. There is a third leg of Project CHARGING FORWARD, which is the dispositions. And again, here, we've announced a minimum EUR 1 billion to be disposed between now and 8 to 14 months from now. And also here, we're on track. On the inverter side, we've announced 1.1 million inverters to be produced in 2025 for 3 major large European OEMs. It's not all that we're going to be producing, but those are 3 examples leading to high volume. On the eCV side, we've disclosed 800-volt electric motors. "

Darling (DAR) earnings call on Diamond Green Diesel (DGD)... "With the largest platform in North America, DGD will continue to take full advantage of its first mover position for a long time to come. Our assumption for this growth is continued higher demand for animal proteins and fats and continued growth of Peptan product sales around the globe. We anticipate that DGD will earn \$2.25 per gallon in 2022 and at a 700 million gallons sold rate. That puts Darling's half of DGD EBITDA at approximately \$800 million. Our DGD outlook for 2022 is based on DGD's ideal location, our incredibly flexible logistical platform, our processing capabilities and the fact that

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we have, by far, the most experienced and capable team of people, which makes DGD the lowest cost producer of renewable diesel in the world.”

Avalara (AVLR) at Canaccord Growth Conference on its Marketplace initiatives... “The included program example would be where we're embedded, included in Shopify's platform, big commerce, a couple of other, the big names. And so when you come in as a Shopify Plus customer, you have the option to choose us as your calculator, we're built in. And you get the benefits of having our robust capabilities. Shopify pays us a fee for that. And then ultimately, our opportunity is to go market to those customers and hopefully upsell them on other things and grow them into larger direct core customers of Avalara. So that's how it works, generally speaking. It's a little different for the different platforms. And that's one where we talk about 16,000 core customers, but like nearly 100,000 end customers. A big plug in the middle is the 60,000 end customers on these platforms calculating through us, where, over time -- not everyone is going to expand. We, over time, can hopefully sell the returns or use tax or licensing or anything else that we have in the bag. And so we want to keep driving that top of funnel, getting more and more on the platforms, giving the platforms more and more of our capabilities so that they can create revenue streams and be able to monetize more of that base. So that's the mission there. It's been a nice program, and that's a long-term durable program. Marketplace is just that. It's about -- we identify about 800 global marketplaces. And we've got -- I forget the exact number, it's over 200. It grew over 50% year-over-year, Analyst Day to Analyst Day. And we've done a nice job. They come for you -- it's kind of like an enterprise sale. They come to you looking for calc. Hey, we got a cart. We need to have all kinds of stuff from that cart. One of them is tax. So we want to buy a big bucket of transactions. And then we try to see if we can sell them other things.”

Sonos (SONO) earnings call capitalizing on three key trends... “First, the Golden Age of Audio. The sheer volume of music audiobooks and podcasts we have access to now is incredible. According to Futuresource's recent audio tech lifestyle survey of audio product owners the percentage of respondents listing at least an hour a week to streaming audio content in 2021 has increased to 73% across the U.S., Germany and U.K. compared to 63% in 2020. And we believe that as more and more people become creators and find interesting new audio formats like social audio, even more time will be spent with audio. As the leading premium home audio brand, Sonos is well positioned to continue to capitalize on this. The second trend is Hollywood at Home. With more and more video content going direct to home, there has been a decade of change in the past year with companies bringing the newest movies right into our homes. The number of straight to streaming movie premieres tripled last year and is not showing any signs of letting up. As a result, consumers are demanding a feature like audio experience in the home, and that is something we deliver better than anyone. We believe this will be a multiyear cultural trend that benefits Sonos significantly as consumers will continue to invest in their homes and have even more spaces to fill the sound.”

Earnings Grid

8/12 AMC and 8/13 BMO Reports

| Stock | Next Earn Date | Time | Open Interest | Historical Moves (8 Q) | Implied Move | Avg. 8 Q Max Move | Med. 8 Q Close Move | Sum. 8 Q Close Move | IV30 Skew | IV30 Avg Crush | Hist Put/Call OI %ile | Short Float | SI Change (3mo) |
|-------|----------------|------|---|------------------------------|--------------|-------------------|---------------------|---------------------|-----------|----------------|-----------------------|-------------|-----------------|
| DIS | 8/12/2021 | AMC | Bull: \$36.4M (83%), Bear: \$6.99M (16%), Stock: \$0.71M (2%) | Lower 5 of 8, Lower last 2 | 2.83% | 5.45% | -0.94% | 2.91% | 2.61 | -22.47% | 72.95% | 1.19% | -7.26% |
| ABNB | 8/12/2021 | AMC | \$60.19M (59%), Bear: \$22.62M (22%), Vol: \$15.23M (15%), Stock: \$3.27M | Higher 2 of 2, Higher last 2 | 5.33% | 11.19% | 8.68% | 17.36% | -0.09 | -16.99% | 63.33% | 6.26% | -47.71% |
| DASH | 8/12/2021 | AMC | Bear: \$19.16M (53%), Bull: \$15.65M (44%), Stock: \$1.04M (3%) | Higher 2 of 2, Higher last 2 | 8.19% | 17.03% | 11.86% | 23.72% | 2.17 | -13.87% | 5.00% | 10.00% | 6.02% |
| BAP | 8/12/2021 | AMC | Bull: \$0.19M (100%) | Higher 4 of 7, Higher last 2 | 6.34% | 4.34% | 1.42% | 2.16% | -1.53 | -7.82% | 52.37% | 2.40% | 31.01% |
| WISH | 8/12/2021 | AMC | Bull: \$9.7M (68%), Bear: \$3.44M (24%), Stock: \$1.07M (8%) | Even of 2 | 10.39% | 20.11% | -11.35% | -22.71% | -14.26 | -22.81% | 28.32% | 8.49% | 14.37% |
| FLO | 8/12/2021 | AMC | Bear: \$0.17M (100%) | Even of 8 | 3.94% | 5.02% | -0.79% | -9.06% | 3.63 | -28.11% | 97.89% | 5.47% | 15.71% |
| VIAC | 8/12/2021 | AMC | No Trades Since Last Report | Even of 8 | 4.95% | 6.03% | 0.26% | 6.88% | 4.66 | -29.22% | 88.06% | 5.83% | 13.67% |
| RSJ | 8/12/2021 | AMC | Bear: \$0.74M (75%), Bull: \$0.25M (25%) | Higher 1 of 1 | 11.05% | 5.61% | 4.35% | 4.35% | -12.11 | -4.64% | 44.64% | 9.96% | 43.68% |
| HYFM | 8/12/2021 | AMC | Bull: \$2.2M (72%), Bear: \$0.84M (28%) | Higher 1 of 1 | 8.51% | 6.57% | 1.47% | 1.47% | 6.31 | -15.68% | 6.17% | 5.06% | 28.87% |
| ITCF | 8/12/2021 | AMC | Bull: \$0.83M (100%) | Lower 2 of 2, Lower last 2 | 8.81% | 3.51% | -2.20% | -4.40% | -8.51 | -19.15% | 14.55% | 24.54% | 41.55% |
| MNSO | 8/12/2021 | None | No Trades Since Last Report | Even of 2 | 9.64% | 7.61% | -0.13% | -0.26% | 9.80 | -9.83% | 56.60% | 0.71% | -54.45% |
| DSY | 8/13/2021 | BMO | No Trades Since Last Report | Higher 1 of 1 | 8.64% | 6.37% | 2.35% | 2.35% | 6.16 | -18.90% | 100.00% | | |
| STNE | 8/13/2021 | None | Bear: \$2.06M (51%), Bull: \$1.98M (49%) | Even of 8 | 4.92% | 12.65% | -2.19% | 23.84% | 6.76 | -15.97% | 40.21% | 3.31% | -5.45% |
| YY | 8/13/2021 | None | Bear: \$4.98M (50%), Bull: \$3.53M (35%), Stock: \$1.48M (15%) | Lower 5 of 8, Lower last 2 | 4.22% | 10.54% | -1.97% | -4.06% | 2.31 | -13.86% | 30.54% | 10.61% | -24.40% |

Earnings Review

| Ticker | Stock | EPS Actual | EPS Est. | Revs Actual | Revs Est. | Y/Y Change | Notes |
|--------|--|------------|----------|-------------|-------------|------------|------------|
| DIBS | 1stdibs.com | -\$0.44 | -\$0.13 | \$24.70 | \$23.87 | 29.30% | FY Below |
| AMWL | Amwell | -\$0.15 | -\$0.18 | \$60.22 | \$61.46 | -12.20% | |
| APP | AppLovin | \$0.04 | \$0.16 | \$668.80 | \$641.02 | 123.50% | |
| ARRY | Array Tech | \$0.07 | \$0.03 | \$202.80 | \$223.94 | 76.50% | FY Below |
| AZPN | Aspen Tech | \$1.53 | \$1.45 | \$197.96 | \$205.92 | -2.00% | FY In Line |
| AVT | Avnet | \$1.12 | \$0.85 | \$5,200.00 | \$5,061.49 | 25.00% | FY In Line |
| BLNK | Blink Charging | -\$0.32 | -\$0.18 | \$4.35 | \$2.63 | 177.10% | |
| BMBL | Bumble Inc. | -\$0.06 | \$0.01 | \$186.22 | \$178.74 | 37.80% | FY Above |
| CACI | CACI Intl | \$5.74 | \$5.62 | \$1,564.00 | \$1,566.67 | 4.60% | |
| CLOV | Clover Health | | -\$0.10 | \$412.50 | \$192.59 | 139.70% | |
| CPNG | Coupage | -\$0.30 | -\$0.14 | \$4,478.10 | \$5,065.62 | 71.30% | |
| MSP | Datto Holding | \$0.17 | \$0.12 | \$151.60 | \$147.40 | 21.80% | FY Above |
| DM | Desktop Metal | -\$0.17 | -\$0.09 | \$18.98 | \$19.18 | 766.90% | |
| EBAY | eBay | \$0.99 | \$0.95 | \$2,700.00 | \$2,857.27 | 15.50% | FY In Line |
| ENS | Energys | \$1.25 | \$1.20 | \$814.90 | \$809.32 | 15.60% | FY Below |
| FNV | Franco-Nevada | \$0.96 | \$0.94 | \$347.10 | \$337.21 | 77.60% | |
| GOCO | GoHealth | -\$0.12 | -\$0.04 | \$196.60 | \$177.55 | 54.70% | |
| HIMS | Hims & Hers Health | -\$0.05 | -\$0.09 | \$60.69 | \$56.49 | 16.00% | FY Above |
| BEKE | KE Holdings | | \$1.53 | | \$23,108.22 | | |

OptionsHawk Market Blitz

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|------|-------------------------|---------|---------|------------|------------|---------|------------|
| LFST | LifeStance Health Group | -\$0.22 | -\$0.05 | \$160.55 | \$155.92 | 253.20% | |
| RIDE | Lordstown Motors | -\$0.61 | -\$0.49 | | | | |
| MQ | Marqeta | -\$0.29 | -\$0.08 | \$122.27 | \$102.33 | 76.20% | FY Above |
| NIO | NIO | -\$0.21 | -\$0.74 | \$7,911.80 | \$8,376.97 | 127.00% | FY In Line |
| OPEN | Opendoor Technologies | -\$0.24 | -\$0.34 | \$1,185.40 | \$1,093.87 | 60.20% | FY Above |
| RXT | Rackspace Technology | \$0.24 | \$0.22 | \$743.80 | \$741.77 | 13.30% | FY Below |
| ROOT | Root, Inc. | -\$0.72 | -\$0.10 | \$89.80 | \$39.62 | -26.00% | |
| RGLD | Royal Gold | \$1.04 | \$0.92 | \$168.03 | \$164.67 | 40.10% | |
| SONO | Sonos | \$0.12 | -\$0.06 | \$378.67 | \$315.20 | 51.90% | |
| VRM | Vroom | -\$0.48 | -\$0.49 | \$761.90 | \$651.07 | 201.00% | |

Earnings Before the Open

| Ticker | Stock | EPS Actual | EPS Est. | Revs Actual | Revs Est. | Y/Y Change | Notes |
|--------|-----------------------|------------|----------|-------------|-------------|------------|------------|
| AZEK | AZEK | | \$0.23 | | \$292.95 | | |
| AZUL | Azul S.A. | | -\$2.47 | | \$1,768.78 | | |
| BIDU | Baidu | \$14.73 | \$13.36 | \$31,550.00 | \$31,020.10 | 21.20% | FY In Line |
| BR | Broadridge Financial | \$2.19 | \$2.19 | \$1,532.00 | \$1,477.51 | 12.50% | FY In Line |
| CSIQ | Canadian Solar | \$0.18 | -\$0.44 | \$1,430.00 | \$1,432.69 | 105.60% | FY In Line |
| CELH | Celsius | | \$0.02 | | \$53.47 | | |
| CYBR | CyberArk | | \$0.02 | | \$115.90 | | |
| DDS | Dillard's | | \$1.69 | | \$1,308.47 | | |
| DCBO | Docebo | -\$0.22 | -\$0.09 | \$25.60 | \$23.11 | 76.60% | |
| GDRX | GoodRx | | \$0.01 | | \$174.60 | | |
| GRWG | GrowGeneration | \$0.24 | \$0.13 | \$125.90 | \$110.64 | 189.40% | FY In Line |
| IQ | iQIYI | -\$1.75 | -\$1.81 | \$7,600.00 | \$7,456.82 | 2.50% | FY In Line |
| KELYA | Kelly Services | | \$0.34 | | \$1,256.22 | | |
| MDP | Meredith | \$1.11 | \$0.52 | \$717.90 | \$689.27 | 17.50% | |
| MIDD | Middleby | \$2.11 | \$2.08 | \$808.80 | \$808.61 | 71.40% | |
| EYE | National Vision | \$0.48 | \$0.23 | \$549.50 | \$474.49 | 111.30% | FY Above |
| OGN | Organon | \$1.72 | \$1.43 | \$1,595.00 | \$1,533.00 | 4.50% | |
| PLTR | Palantir Technologies | \$0.04 | \$0.03 | \$375.60 | \$361.10 | 49.00% | FY Above |
| PGTI | PGT Inc. | | \$0.31 | | \$281.74 | | |
| SDGR | Schrodinger | -\$0.49 | -\$0.28 | \$29.80 | \$29.88 | 29.00% | |

OptionsHawk Market Blitz

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|-----|----------------------|--------|---------|----------|------------|---------|----------|
| SHC | Sotera Health | | \$0.21 | | \$227.24 | | |
| TAL | TAL Education | | -\$0.02 | | \$1,288.00 | | |
| UTZ | Utz Brands | \$0.13 | \$0.14 | \$299.20 | \$289.59 | -4.00% | FY Below |
| UP | Wheels Up Experience | | -\$0.12 | \$285.60 | \$269.00 | 112.70% | |

EBAY – Beat on EPS and Missed on Revs – Today I am pleased to announce another strong quarter. In Q2, on an apples-to-apples basis, all key business metrics met or exceeded expectations and revenue growth was driven by the acceleration in our payments migration and growth in advertising," said Jamie Iannone, CEO at eBay. "During the quarter, we hit several important milestones in our ongoing transformation, including the transition of eBay's Classifieds business - a deal that has already delivered exceptional shareholder value - and the announcement of the sale of our Korean business. We are simplifying our portfolio and growing our core while delivering significant shareholder value. We remain relentlessly focused on accelerating our product innovation by harnessing the power of next-gen technology and creating a more seamless experience for sellers. We are delivering innovative category experiences for buyers and quickly evolving in our pursuit to be the best global marketplace to sell and buy.

OPEN – Beat on EPS And Revs – "Each quarter, we get the opportunity to reflect on our journey to redefine how people buy and sell a home and transform the world's largest asset class. Last quarter, I spoke to our tremendous momentum, created by our relentless focus on the consumer experience, pricing expertise, and operational excellence. Today, I am proud to share the results of those efforts," said Eric Wu, Co-Founder and CEO of Opendoor. "In the second quarter of 2021, we acquired a record 8,494 homes, generated revenue of \$1.2 billion, and delivered adjusted EBITDA of \$25.6 million, representing growth of 136% in homes acquired, 59% in revenue, and nearly \$28 million in adjusted EBITDA compared to the first quarter. This strong outperformance is further evidence of the seismic shift in consumer demand towards the modern real estate experience we are pioneering. Based on our current momentum, we are operating today at a second half revenue run rate that is on track to meet the 2023 target we provided at the time of our December listing."

SONO – Beat on EPS and Revs – Sonos CEO Patrick Spence commented, "Our third quarter results represent yet another record-shattering quarter at Sonos. We believe that the strong demand for our products is unwavering and underscores the uniqueness and power of our business model where customers start with one product and expand with more over time. Based on the strong demand for our products, the amazing execution of our team, and the power and profitability of our business, we are yet again raising our outlook for fiscal 2021."

DUOL – Beat on Revs - Daily active users were 9.1M, an increase of 2% from the prior year quarter. Paid subscribers totaled 1.9M at quarter end, an increase of 46% from the prior year. "Our recent IPO was a significant milestone in our journey to develop the best education in the world and make it universally available," said Luis von Ahn, co-founder and CEO of Duolingo. "This mission has not changed since we launched Duolingo nearly ten years ago and we have kept our focus on reaching new users, increasing engagement and growing subscribers. We were pleased to see that our monthly and daily active users in Q2 were comparable to last year, despite comparing against an extraordinary Q2 2020 when a record number of learners used Duolingo during the lockdowns. We are also pleased to see the strong growth in paid subscribers as more learners around the world engaged with our premium offering. We had nearly 40 million monthly users and close to 2 million subscribers at the end of June and we believe we can drive user growth from this higher base as we continue to invest in the business."

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Not Investment Advice or Recommendation

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