



Inside Today's Blitz

- China July Data Misses Expectations as Delta Variant Weighs
- Taliban Seize Afghanistan as Kabul Falls
- **Hyatt (H)** is buying Apple Leisure for \$2.7B; **SONO** won a patent suit against **GOOGL**; **PSFE** is buying SafetyPay for \$441M; **BHP** is in talks to sell their oil & gas assets to Woodside

Market Outlook

Futures indicating a weak open for the day with the **Dow** off by 30 bps, the **S&P** off by 29 bps, and the **Nasdaq** off by 27 bps. The **Russell** is down 48 bps. Energy is under pressure today with **WTI** down 1.32% and **Gasoline** off by 1.22%. **Gold** is basically flat today but **silver** down 1.07%. **Copper** is down 1.57%. The **dollar** is up 6 bps. **Bonds** are up 23 bps. **VIX** is 17.50. It has been a negative weekend for macro news with the focus this morning on China's latest data. Industrial production, retail sales both fell short of estimates in the latest sign that delta variant could present a headwind into the 2H. There continues to be some optimism around more stimulus measures from Beijing if the situation grows worse but nothing notable in the immediate future. Elsewhere, Afghanistan fell to the Taliban this weekend. This creates two new struggles for President Biden as the move risks inflaming political risk in the region but also serves as a massive blow to his administration's foreign policy approach. COVID had some positive news flow this weekend as China cases eased and vaccinations in the US ticked higher. But, overall, concerns remain about delta. Hong Kong is tightening travel restrictions while Macau is easing up on closures of leisure activities.

Asian markets are lower across the board with the Hang Seng down 80 bps, Shanghai up 3 bps, and the Nikkei down 1.62%. In Europe, the major indices are all lower as well. The DAX is down 59 bps, CAC is down 84 bps, and the FTSE is down 1.15%. We're seeing weakness in basic resources and energy, both down around 1.5%. Staples and telecom are leading to the upside. The weak data out of China is weighing on a lot of individual names today. **LVMH**, **Kering**, and **Richemont** are all lower by 1% to 1.5% given their exposure. French car parts supplier **Faurecia SE** jumped 6% after it agreed to acquire a majority stake in German automotive lighting group **Hella**. **Lufthansa** fell 2.9% after the German finance agency unveiled plans to sell up to a quarter of its 20% stake in the airline.

Calendar

Today... Earnings After the Close: POWW, RBLX, TME, IDEX, CLSK, FUV, MBII, GAN, GOEV, DNMR, RKDA, FN, RMO, EDR, RMTI, IMMR, ETON, TLS, XSPA, QRHC, SSKN, GERN, LOV, OSMT, VERB, ISUN, GLBE;
Roadshows: ANET, CURI, SMPL, SCS, NVCR, ODFL, MATX, AR

Next Week... Retail Sales, Redbook, Industrial Production, Fed Chair Powell Speaks, Fed's Kashkari Speaks, API Inventories; **Earnings Before the Open:** WMT, HD, SE, GRUB, HUYA, GDS, ECC, PINC, AIT, CWCO, NETI, MNDY; **Earnings After the Close:** LZB, BEST, A, CRMT, QUIK, CREE, JKHY, AMCR, NOAH, CDK, DNUT; **Analyst Days:** NATI, SLS, EH; **Roadshows:** MKSI, EXPE, CALX, INFN, TPH, GMS, JAZZ, STAA, TGLS; **Conferences:** B Riley Small Cap Summit, Sidoti Microcap

Overnight Markets

VIX	17.45	4.92%
Bonds	164.81	0.25%
US Dollar	92.57	0.06%
Natural Gas	3.862	0.03%
Gold	1777.3	-0.05%
Silver	23.53	-1.05%
Oil (WTI)	67.58	-1.26%
Copper	4.3225	-1.57%
Lumber	492.1	-1.65%
Platinum	1008.6	-1.70%

Technical View



Key Levels to Watch

S&P futures (ES_F) pulling back overnight to re-test the 4441.50 high-volume node from last week as well as trend support from the previous five-day climb. We bounce hard back to overnight resistance at 4459.5-4456 but unable to get back into Friday's range. Above that zone opens up a continued grind higher to 4466.75 and 4471.25. A move lower targets 4438.25, 4428 and 4415.75.

Economic Data

- **China** retail sales rose 8.5% in July vs 10.9% est.
- **China** industrial production was 6.4% vs 7.9% est.
- **Japan** GDP was 1.3% vs 0.5% est.
- **Thailand** is cutting their Q2 GDP outlook

Macro News

- **Afghanistan** fell to the Taliban over the weekend as forces took Kabul on Sunday morning, per NY Times
- **China's** PBOC rolled over more policy loans than expected last month, per Bloomberg, providing a modest boost to liquidity
- **China's** COVID outbreak continues to wane, per Bloomberg
- **US, China** trade talks are progressing slowly, says SCMP, and there won't be changes to tariffs anytime soon
- **Canada** will hold an election on Sept. 20 after PM Trudeau called for it, per Bloomberg. He is expected to maintain power
- **Malaysia's** PM resigned this morning, per Reuters
- **India** will announce plans for a \$1.35T infrastructure spending program today, per Reuters
- **Germany's** Green Party is pushing for higher tariffs in the EU on Chinese imports, per Reuters
- **Macau** will allow leisure venues like bars and movie theaters to resume operations on 8/18 as COVID situation improves, per Bloomberg

Movers

Gainers: SONO 12%, BTBT 4%, HUT 4%, BTM 4%, BITF 4%, PSFE 3.5%, COIN 2.5%

Losers: UWMC -6%, NIO -4.5%, WISH -4%, BILI -4%, LTHM -4%, LI -3.5%, XPEV -3.5%

Insider Buying

KOD, RILY, RDNT, ETN, ENR

IPO Calendar

Nothing scheduled currently

Sentiment

- **Companies are hoarding record cash** amid Delta fears according to the WSJ. Cash and short-term investments on corporate balance sheets globally are at an all-time high of \$6.84 trillion, according to data from S&P Global. That is 45% higher than the average in the five years preceding the pandemic and a 2.6% increase from the previous quarter.
- **Small traders are piling back into crypto**, says WSJ. Many so-called altcoins, or alternatives to bitcoin, have seen their prices surge recently—a sign that retail investors are active as they search for digital assets with small market capitalizations and potential for big gains.
- **Wall Street is the most bullish on stocks in almost two decades**, per Bloomberg. About 56% of all recommendations on S&P 500 firms are listed as buys, the most since 2002.
- **Hedge funds enjoy a revival**, per FT, as performance improves, and inflows rise

Stock-Specific News

Barron's Wrap

- **Boeing (BA) has 35% upside** if CEO Dave Calhoun takes bold steps to restore the company's engineering and repair its balance sheet
- **Carvana (CVNA) has room to run** as the company is expected to more than double its revenue
- **Wendy's (WEN)** can move beyond its 'meme' status and strong earnings can do the trick
- **VICI** is a compelling stock to watch given its yield and exposure to Las Vegas properties
- **AMED, AMRS, BAH, JBHT, VAC, SITE, STAA, SFIX, TREX, UPWK** are reliable growth stocks to watch

Consumer/ Business Services

- **Hyatt (H)** to acquire Apple Leisure Group from KKR and KSL Capital for \$2.7B in Cash; "The addition of ALG's properties will immediately double Hyatt's global resorts footprint. ALG's portfolio of luxury brands, leadership in the all-inclusive segment and large pipeline of new resorts will extend our reach in existing and new markets, including in Europe, and further accelerate our industry-leading net rooms growth."
- **SONO** wins five patent cases against Google; the ITC judge determined the Alphabet unit infringed five of Sonos' patents

Chart Watch

TREX a nice-looking weekly chart setting up under \$111 with a breakout targeting a run to \$130

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- **PTON** is being sued by members in NY over false 'sales tax' claims, per Bloomberg. Peloton overcharged thousands of members through purported state sales taxes that weren't actually applicable in the members' states
- **CVNA** cautious article in the WSJ this weekend looking at how the company sells off loans made to customers to buy cars
- **DIDI** will improve transparency around driver pay, says Reuters, the first major step after Beijing cracked down on the company
- **SONY** will score big from PS5 sales in 2021, says Digitimes, as demand for game consoles continues to gain momentum amid more stay-at-home activities
- **GRWG** – The WSJ 'Heard on the Street' positive today on the name as one of the few companies showing benefits from the slow legal changes in the US cannabis space
- **Tim Horton's China** will go public via SPAC with **SLCR**
- **Videogame spending** rose 10% in July, says NPD, to a record \$4.6B.

Financials

- **Paysafe (PSFE)** is buying **SafetyPay** for \$441M in an all-cash deal. SafetyPay is a payments platform that enables eCommerce transactions primarily in Latin America
- **HSBC** is buying AXA's Singapore business for \$575M, per Reuters
- **Chime Financial** is raising another \$750M in their latest funding round, per WSJ, and values the company at \$25B. The fintech startup could target an IPO in 2022
- **STT** will vacate their midtown Manhattan offices, per WSJ, and will sublease their space to others
- **COF** says July delinquencies were 1.71%; net charge offs 1.45%
- **ADS** says July net charge offs were 4.2% vs 4.8% in June; delinquencies rose to 3.4% vs 3.3%

Healthcare

- **LLY** says Advocate 1, Advocate 2 trials met primary and secondary endpoints with at least 75% skin clearance in more than half of people with moderate-to-severe atopic dermatitis, or AD, as measured by EASI
- **TVTX** announces 'positive' interim results from PROTECT study a study of sparsentan for the treatment of IgA nephropathy
- **EXAS** receives Japan MHLW approval for Oncotype DX program

Industrials

- **Boeing (BA)** says the Starliner launch will be delayed by several months after the company pulled the spacecraft back into the factory for more work, per CNBC

Hawk Database

TTWO has seen buyers in the Dec. \$160 and \$170 calls recently; **EA** with large March put sales on 8/11; and **ATVI** has seen size buyers in the Feb. \$92.50 calls

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- **Cobham** is buying **Ultra Electronics** for \$3.6B, says Reuters. The UK-defense firm is looking to allay any potential concerns over national security and could announce divestitures soon
- German auto parts supplier **Hella** is being acquired by **Faurencia** for €6.8B, says Bloomberg. French-based Faurencia beat out other peers in the bidding process.
- **Lufthansa** says the government will begin selling its 25% stake in the company over the next 2-3 weeks, per Reuters
- **RAIL** is raising their delivery outlook for the FY21
- **JELD** announces \$200M buyback

Energy & Materials

- **BHP** is in talks with Woodside to sell its entire oil/gas business, says Reuters, and a deal could be worth as much as A\$20B
- **CSIQ** saw some imports of materials detained by customs in the US, per Bloomberg
- **Saudi Aramco** is in talks to buy a 20% stake in Reliance Industries' oil refining and chemicals business, per Bloomberg. A deal could be worth between \$20B and \$25B.

Tech/Telecom

- **AAPL** is planning to launch new versions of their iPhone, iPad, Macbook and Watch in time for the holidays, per Bloomberg, but changes to the iPhone 13 will be minimal
- **INTC** CEO is pitching a multi-billion dollar chip plant to US officials, per WSJ. Gelsinger also traveled to several other countries around the world that are worried about or impacted by chip shortages.
- **TMUS** is investigating claims of a data breach, per Reuters. As many as 100M users were impacted
- **TME** will likely delay plans for a Hong Kong listing in 2021, per Nikkei
- **IIVI** announced a new board Chairman
- **Server DRAM** prices to rise 5-10% in Q3, says Trendforce

Chart Watch

BHP broke above a multi-week base earlier in the month and now flagging above the key level at \$76 with a move above \$80 back in focus for upside

Chart Watch

AAPL one of the cleaner bull charts coming into the week with a move above \$150 on watch for range expansion

Analyst Notes

Upgrades

- **SONO** raised to Buy at Jefferies after the company won the first round of its patent case against Google. The ruling validates the strength of Sonos's patent portfolio and should help to increase its licensing business
- **STX** raised to Buy at UBS as the analyst states that HDD business is at a structural inflection, yielding more stable supply/demand dynamics and expanding cross cycle margins, and he expects the company to benefit from the structural changes that are under way in the segment. The analyst also adds that the explosive growth in data storage requirements has led customers to engage in more longer-term supply/pricing arrangements while recent storage-driven blockchains have reduced channel inventory
- **WMT** raised to Buy at R5 Capital
- **PCG** raised to Outperform at RBC

Chart Watch

SONO inside day on Friday after the big earnings base breakout move, above \$38.50 should see nice continuation higher

Downgrades

- **ECL** cut to Neutral at Evercore citing inflationary pressures in raws, labor, and logistics that complicate the company's second half of 2021 outlook
- **HNST, LFST** cut to Neutral at MSCO
- **ADP** cut to Neutral at CSFB
- **AMH, INVH** cut to Neutral at Berenberg
- **XL** cut to Neutral at Canaccord

Initiations

- **CCC** started Buy at BAML; Clarivate has a strong position as the leading provider of data & analytics to the sciences and intellectual property (IP) markets. Its offerings are mission-critical and deeply embedded in client workflows, and its breadth of data and end-to-end offerings provide competitive advantage. These factors drive a strong business model with highly recurring revenue, 90%+ retention, and strong/scalable margins.
- **LAW** started Buy at BAML; the legacy eDiscovery solutions that currently inundate the industry are inefficient, less scalable, and have lower cost visibility, which creates an ideal environment for Disco to disrupt to take share.
- **ZVIA** started Buy at Goldman with \$28 target; an emerging, fast-growth beverage company that checks all the boxes of an on-trend consumer brand via its ESG-oriented portfolio of zero calorie, zero sugar & natural stevia-sweetened beverages

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- **PYCR** started Buy at Jefferies, Stifel; JMP notes, “The company is in the early stages of penetrating the large market opportunity for human capital management applications in the U.S., estimated to be \$26B. The company offers a strong value proposition and is well suited for small and medium-sized businesses
- **VTEX** started Overweight at KeyBanc as their enterprise-grade, multi-tenant e-commerce software-as-a-service platform commercializes disruptive orchestration and low-code software principles, which is poised for sustained share gains
- **MAPS, PYCR, KLTR** started Outperform at JMP
- **BASE, RYAN** started Overweight at Barclays
- **INST** started Buy at Truist, BTIG
- **KLTR** started Buy at Canaccord
- **UP** started Buy at BTIG

Chart Watch

VTEX the chart of these IPO initiations that looks most promising with the quick retest and base of its breakout, so look for a higher high

Other Notes

- **DAR** added to Citi’s focus list as talks with management indicate an acceleration ahead versus prior expectations for the company's Keto-powered dual-pronged cash flow ramp
- **EAT** should be bought ahead of earnings, says Piper, as checks show the Chili's concept has recovered, ghost concepts are generating incremental revenue at higher margins, and development may accelerate

Trade Ideas

Service Now (NOW) shares setting up in a nice bull flag under \$595 and a big weekly level that stretches back to February. A breakout move has room to \$625 but plenty of room for expansion into space and weekly range measuring to \$740. On the daily, MACD is back a bit off recent highs and starting to turn while RSI is back above 60 after resetting a bit. There’s a bit of a volume shelf at \$592.25, so potential for an earlier trigger.



Technical Scans

Inside Days: ETSY, ALNY, SNA, NET, AMED, FTNT, CE, HON, LPLA, WCN, TYL, NYT, PPG, PEGA, TSM, CARR, SHOP, SQ, TDG, QRVO

Bull Reversal Days: NKE, OLLI, PFPT, CHKP, DASH, ASML, SBUX, DECK, TFX, ON, GWRE

Ready to Run: AMT, SMPL, MEDP, PEP, TPTX, LE, KMB, INGR, AZN, FE, RAVN, HSY

Earnings Preview

Home Depot (HD) reporting earnings on Tuesday before the open with the Street looking for \$4.41 on \$40.674B in sales. Next quarter is guided to \$3.23/\$33,83B and the FY is \$14.22 on \$143.45B. Shares have closed lower in each of the last seven reports with an average closing move of 1.85% and a max move of 5.44%. The current implied move is 2%. HD is coiled on the chart in a small range under \$340 and the May highs with a breakout move targeting \$350. The bigger weekly range has a measured move to \$390. Support is down around \$300. Options flow has been mixed. On 8/5, we had a buyer of 2000 August 27th (W) \$325/\$305 put spreads while 10,000 September \$340 calls were sold to open on 7/21. The \$355B company trades 22.22X earnings, 2.5X sales, and 34X FCF with a 2% yield. HD is coming off of a strong quarter as demand for home improvement projects continues to swell and they continue to execute on a strategic plan. HD is facing a tough Q2 comp and likely sees some deceleration as stimulus checks made an impact in March/April and have slowed down. They do expect the Pro side to be stronger as reopening expands and more spending shifts from DIY projects into DIFM. Analysts have an average target for shares of \$332.50 with a Street High \$386 at RBC. The firm notes HD has four consecutive quarters of above 25% comp growth and the trend of an accelerated home investment will remain for the foreseeable future given extreme supply-demand housing imbalances and historical behavioral changes from prior nesting periods. OTR Global downgrading to Mixed on 8/10 following checks that showed suppliers' sell-through trends at the major home centers deteriorated during Q2. Hedge fund ownership fell 5%. Short interest is 1.13%.

Extras

Unity (U) buyer of 3000 September \$145 calls for \$2.10, adjusting higher the \$135 calls

Starbucks (SBUX) closing strong and buyers of 8000 November \$120 calls for \$3.90

Spirit (SAVE) buyers of 1250 January 2023 \$40 calls for \$2.88

Hill Rom (HRC) late buyer of 4000 September \$135/\$145 call spreads for \$2.75, rejected a \$9.6B bid from Baxter (BAX) and some speculation it could take \$150+ for a deal

Gilead (GILD) also with 1200 February \$72.50 calls bought for \$3.90 to \$3.95

Freeport (FCX) buyer of 10,000 November \$40 calls for \$2.73 as the October calls close

AMD late buyers of 3000 November \$130 calls for \$4.85 while the Aug. 27th (W) \$122 calls bought over 10,000X up to \$1.08 to open into the close

Apple (AAPL) buyers of 1000 September 2023 \$185 calls for \$13.40 to \$13.75

DexCom (DXCM) with 500 September \$500 calls sold to open from \$14 to \$13.70

IntraCellular (ITCI) buyers of 750 January \$30/\$45 call spreads for \$4.22

Ollie's (OLLI) more bearish flow with 625 September \$85 puts bought for \$5.40

Synopsys (SNPS) late buyers of 500 September \$300 calls for \$6

Autodesk (ADSK) stock replacements are buying more than \$1.2M in January 2023 \$340 calls

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Industrials (XLI) buyer of 10,000 November \$107 calls for \$2.67, adjusting the Oct. \$103 calls higher

Energy (XLE) with 10,000 November \$51 calls bought for \$2.04, adjusting the October \$51 calls out

Tech (XLK) with 7,000 November \$159 calls opening for \$3.84, the Sept. \$156 calls adjusting higher

Ross Stores (ROST) buyer of 2000 August \$124 puts for \$2.15 into 8-19 earnings

Bath & Bodyworks (BBWI) buyer of 2500 August \$60/\$55 put spreads into earnings this week

Pacific Bio (PACB) with 500 September \$25 ITM calls bought up to \$5

Lending Tree (TREE) with 150 December 2022 \$150 puts sold to open for \$28.80 in a stock replacement

Open Interest Checks

Ticker	Contract	Prior OI	New OI	OI Change	Ticker	Contract	Prior OI	New OI	OI Change
PINS	17 JUN 22 45 PUT	1,249	3,865	209.45%	DKNG	19 NOV 21 60 CALL	3,085	4,865	57.70%
BEKE	15 OCT 21 15 PUT	1,725	5,205	201.74%	TGTX	20 JAN 23 18 CALL	3,150	4,953	57.24%
FCX	19 NOV 21 40 CALL	5,930	15,957	169.09%	TRIP	20 JAN 23 35 PUT	2,130	3,342	56.90%
IOVA	17 SEP 21 30 CALL	3,239	7,594	134.46%	CVS	19 NOV 21 85 PUT	2,323	3,581	54.15%
AON	17 SEP 21 280 CALL	2,843	6,309	121.91%	SHOO	17 SEP 21 45 CALL	3,122	4,716	51.06%
BIDU	15 OCT 21 150 PUT	1,023	2,231	118.08%	YUM	21 JAN 22 120 PUT	2,008	3,003	49.55%
HYRE	21 JAN 22 15 CALL	2,607	5,610	115.19%	QCOM	15 OCT 21 140 PUT	4,369	6,301	44.22%
AAL	17 SEP 21 21 PUT	28,678	58,457	103.84%	MAS	21 JAN 22 65 CALL	1,222	1,734	41.90%
MU	16 SEP 22 60 PUT	2,561	5,118	99.84%	MSFT	19 NOV 21 300 CALL	5,434	7,674	41.22%
ELY	21 JAN 22 29 PUT	1,002	2,002	99.80%	PAGS	21 JAN 22 60 CALL	11,982	16,889	40.95%
AMD	19 NOV 21 130 CALL	2,574	5,107	98.41%	IQ	20 JAN 23 10 PUT	7,506	10,507	39.98%
HYRE	17 SEP 21 10 CALL	5,011	9,769	94.95%	MSFT	21 JAN 22 270 PUT	4,747	6,473	36.36%
WDC	21 JAN 22 75 CALL	1,403	2,732	94.73%	MOS	17 DEC 21 35 CALL	2,646	3,550	34.16%
CP	17 SEP 21 75 CALL	6,406	12,293	91.90%	ATVI	18 FEB 22 92.5 CALL	8,498	11,285	32.80%
SNAP	20 AUG 21 75 CALL	11,986	22,887	90.95%	PFE	17 SEP 21 49 CALL	7,535	9,486	25.89%
SPY	15 OCT 21 448 CALL	2,833	5,252	85.39%	PENN	15 OCT 21 75 CALL	2,977	3,616	21.46%
MTCH	17 SEP 21 145 CALL	2,088	3,858	84.77%	F	20 JAN 23 15 PUT	14,326	16,856	17.66%
JNJ	17 JUN 22 155 PUT	2,003	3,539	76.68%	DISCA	21 JAN 22 27.5 PUT	5,440	5,695	4.69%
FB	17 JUN 22 295 PUT	1,174	2,067	76.06%	RCL	18 MAR 22 40 PUT	2,107	1,819	-13.67%
NVDA	(Weeklys) 10 SEP 21 200 PUT	1,172	2,062	75.94%	MRNA	15 OCT 21 350 PUT	1,531	1,169	-23.64%
PLUG	18 MAR 22 20 PUT	2,186	3,780	72.92%	GDRX	15 OCT 21 30 PUT	6,904	4,886	-29.23%
GM	18 MAR 22 52.5 PUT	1,105	1,874	69.59%	NUE	17 SEP 21 125 CALL	10,106	7,150	-29.25%
AMD	19 NOV 21 140 CALL	2,974	4,986	67.65%	RILY	21 JAN 22 60 CALL	1,159	629	-45.73%
OTLY	20 AUG 21 17.5 CALL	5,430	9,056	66.78%					
AXSM	21 JAN 22 40 CALL	2,082	3,468	66.57%					

What They're Saying

Airbnb (ABNB) earnings call on four things it is focusing on as we return to a new normal... "So number one, we have a lot of opportunity in our core, and I want to make sure our team is really focused. Number two, as we said, long-term stays is a huge boon to our business. This is an entire category of travel that really wasn't -- didn't really exist when Joe, Nate and I started this company more than 13 years ago. But I think there's this entire new category of travel where travel and living is blurring, so that will be number two. Three, you mentioned experiences. We thought last year could be a breakout year for experiences. Obviously, the opposite happened. We had to put the product on pause. But I think that people are going to be yearning for experiences. And the reason why is a very simple one. And then finally, number four, I think there's a huge number of opportunities to unlock more hosting. We are now living in a world where there's still great economic distress all over the world. And take one example, women have been disproportionately impacted by the pandemic. And 55% of our Hosts are women all over the world. And so we think there's a huge opportunity to continue to unlock more hosting. And we're going to take guidance from the creativity of our community. And I think we're going to look back on this is still the very early innings of a much, much bigger business. "

PagSeguro Digital (PAGS) earnings calls on the strength and opportunity of Hubs... "Hubs TPV grew 4x year-over-year, outpacing best estimates of our models, due to the economy reopening and a disciplined execution to serve larger merchants, combined with a powerful competitive advantage which is PagBank. We are the only payments company in the market with a complete digital account and without any conflict of interests with controlling shareholders or partners, which allow us to look for the best combination to serve merchants and leverage the gross profits per clients, exploring both money flows, the cash in and the cash out. We are targeting merchants, on average, 4 to 5x larger than our average long tail seller. And by the end of 2021, we are expecting to cover more than 80% of the Brazilian GDP with approximately 300 Hubs throughout the country. Backed by a strong sales culture, which mingles young professionals with seasonal sales professionals from other sectors, we are creating a unique relationship model driven not only by client's activation, but also by client's engagement. We are also observing a larger number of software subscribers, which was 801,000, already representing 11% of PAGS' active merchants. You know that our merchants from Hubs, they have usually 4 to 5x larger TPV than long tail. And of course, they had a lower take rate. I mean, we were, let's say, conservative when we thought about the volumes from pro-Hubs, and we're going to get more. It's -- I mean, we saw that even the SMBs in Brazil are underserved. The majority of our SMB is not to say 100%, they already have another player. So it's different than long tail that we are bringing new merchants to the system. In the SMBs, we need to go there to talk and to get clients from competitors. So we use a lot of the strategy to talk about PagBank, the digital bank. That is 100% free, and they can use for daily tests, financial daily activities such as paying suppliers and so on."

Earnings Grid

8/16 AMC and 8/17 BMO Reports

Stock	Next Earnings 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 %-tile	Short Float	SI Change (3mo)
RBLX	8/16/2021	AMC	\$35.82M (54%), Bear: \$24.49M (37%), Vol: \$3.14M (5%), Stock: \$2.28M	Higher 1 of 1	9.49%	21.55%	21.33%	21.33%	-2.98	-7.29%	76.39%		
TIME	8/16/2021	AMC	Bull: \$5.89M (57%), Stock: \$2.77M (27%), Bear: \$1.64M (16%)	Even of 8	7.00%	6.14%	-0.29%	-9.44%	0.28	-24.49%	87.28%	2.47%	-14.29%
TSL	8/16/2021	AMC	No Trades Since Last Report	Lower 2 of 3	8.72%	18.28%	-4.04%	4.22%	-0.47	-13.93%	50.85%	2.47%	33.33%
DDS	8/16/2021	None	Bull: \$8.3M (66%), Bear: \$4.22M (34%)	Higher 5 of 8	11.01%	15.42%	7.28%	59.44%	-1.38	-17.74%	13.01%	8.32%	-7.32%
DAQ	8/16/2021	None	Bear: \$1.28M (100%)	Higher 2 of 2, Higher last 2	11.09%	13.54%	7.05%	14.10%	8.49	-13.83%	93.71%	0.73%	-10.00%
WMT	8/17/2021	BMO	Bull: \$10.15M (55%), Bear: \$7.6M (41%), Vol: \$0.84M (5%)	Lower 5 of 8	2.77%	3.80%	-0.47%	-1.78%	0.23	-23.00%	53.50%	1.29%	25.29%
HD	8/17/2021	BMO	Bear: \$13.4M (65%), Bull: \$5.75M (28%), Stock: \$1.31M (6%)	Lower 7 of 8, Lower last 7	2.58%	3.78%	-1.83%	-12.76%	3.41	-12.26%	48.33%	1.04%	5.25%
SE	8/17/2021	BMO	\$84.91M (77%), Bear: \$12.21M (11%), Stock: \$11.37M (10%), Vol: \$1.9M	Higher 6 of 8, Higher last 2	6.39%	11.35%	3.04%	33.27%	2.56	-25.61%	76.41%	4.81%	-6.30%
GDS	8/17/2021	BMO	Bull: \$7.56M (46%), Bull: \$5.14M (31%), Vol: \$2.21M (13%), Bear: \$1.66M (10%)	Lower 5 of 8	7.01%	6.20%	-1.94%	-0.68%	11.64	-9.71%	84.84%	5.91%	-7.26%
PINC	8/17/2021	BMO	No Trades Since Last Report	Lower 5 of 8	7.68%	6.52%	-2.08%	-5.10%	0.24	-26.27%	1.21%	2.10%	8.55%
HUYA	8/17/2021	BMO	Bull: \$1.7M (89%), Bear: \$0.21M (11%)	Even of 8, Lower last 2	8.74%	7.44%	-0.12%	-15.96%	9.15	-13.50%	68.48%	20.31%	-36.01%

Earnings Review

Ticker	Stock	EPS Actual	EPS Est.	Revs Actual	Revs Est.	Y/Y Change	Notes
HHR	HeadHunter Group		\$21.36		\$3,433.47		
OTLY	Oatly Group AB	-\$0.11	-\$0.10	\$146.20	\$146.98	53.40%	FY Above
PSFE	Paysafe		\$0.01	\$384.30	\$378.44	12.70%	FY In Line
ZH	Zhihu	-\$0.55	-\$0.70	\$638.40	\$629.35	144.20%	FY Above
DOYU	DouYu	-\$0.35	-\$0.38	\$2,336.80	\$2,297.33	-6.80%	

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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