



OptionsHawk Monthly Market Brief – June 2020

S&P 500 (SPX) Technicals

Analysis:

The S&P has continued to show upward momentum clearing its 200 day moving average to end the month of May as well as the prior 2019 resistance breakout levels, the high for the month near 3,070 initial resistance followed by 3,110 as the next retracement of the fall level, and then 3,135/3,140 from a February failed rally high. Ultimately moving back up to fill that gap down from February may be the goal of this move, near 3,330. A large rising wedge may be forming and watching 8 day MA as initial support as well as using the 200 MA reference point, bulls want to remain above that level. The 21 day MA near 2920 is next resistance and then a gap to fill back to 2,870. After that level would be a concern for bulls as trend support would start to break, the 55 day moving average at 2,750 then comes into focus, followed by 2,730 from an April reversal level.



Key Levels

	<u>Support</u>	<u>Resistance</u>
Level 1	3,000	3,070
Level 2	2,960	3,110
Level 3	2,920	3,140
Level 4	2,870	3,200

Fundamental Valuation Bands

	2020		Value	2021		Value
	EPS	Multiple	Level	EPS	Multiple	Level
Bull	140	20	2,800	170	21	3,570
Neutral	130	17	2,210	160	17	2,720
Bear	120	15	1,800	140	15	2,100

Market Health/Sentiment Check

Indicator	Level	Implications
Short Term Moving Average Slopes	Rising	Bullish
Long Term Moving Average Slopes	Flat to Rising	Bullish
8/21 Week EMA Crossover	Below	Bearish
NYSE McClellan Oscillator (NYMO)	47	Overbought
NYSE Summation (NYSI)	+445	Bullish Above 8 MA
NYSE A/D (Cumulative)	201,196	Above 40 EMA - Bullish
NYSE TRIN 21 MA	1.258	High - Bullish
NAAIM	81.65	Elevated – Overly Bullish
AAll Sentiment	33.1% Bull	Below Historical Average
Investors Intelligence Survey	50.5% Bulls	Neutral
CBOE Equity Put/Call 50 MA	0.63	Neutral
VIX:VXV Ratio	0.91	Neutral

Catalyst Watch

Date	Event
6/10 – 6/12	G7 Leaders Summit
By 6/30/2020	US Bank Stress Test Results
8/24/2020	Republican Convention
8/27/2020	Jackson Hole
9/29/2020	Presidential Debate
10/7/2020	VP Debate
10/15/2020	2 nd Presidential Debate
10/22/2020	3 rd Presidential Debate
11/3/2020	US Election

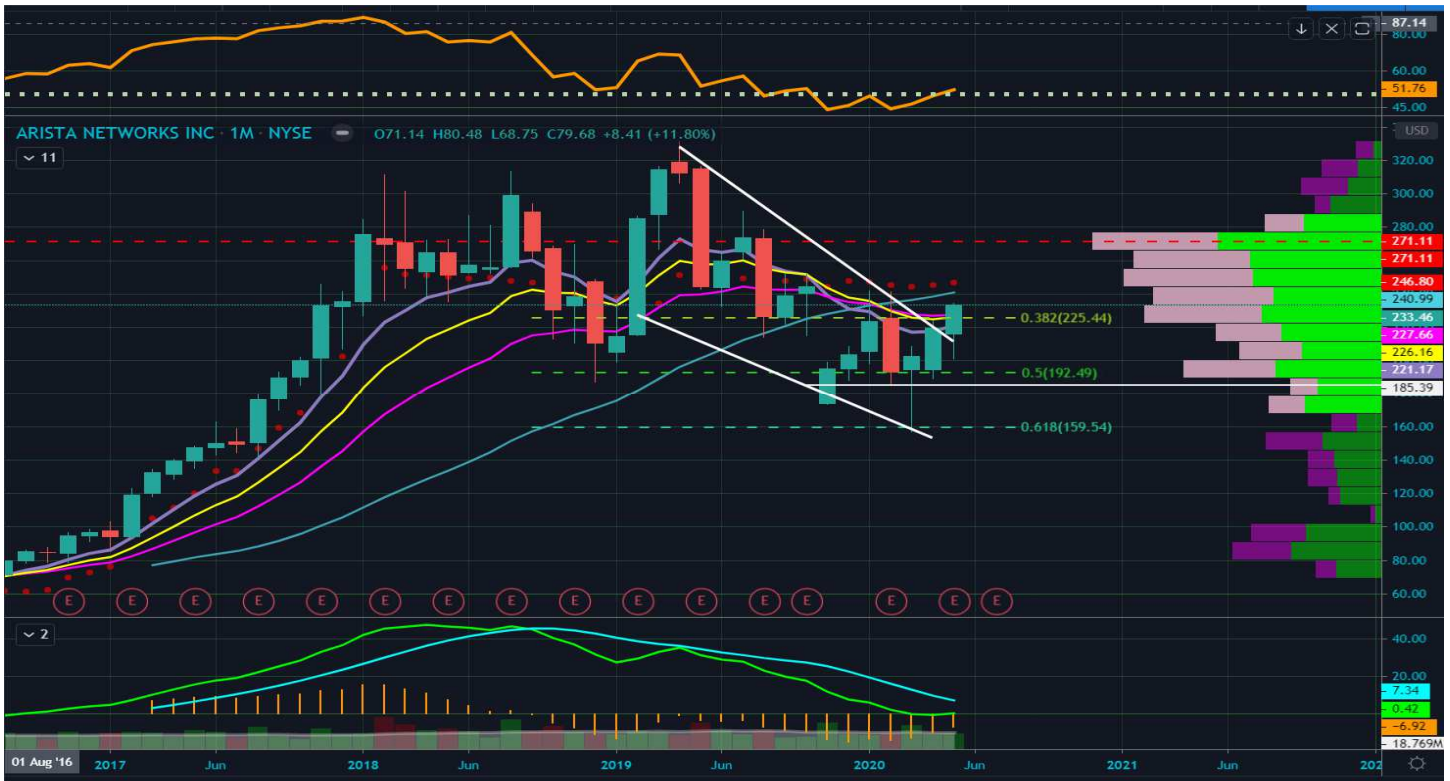
Bull & Bear Flow Monthly Leaderboard

OPTIONSHAWK DATABASE AGGREGATE FLOW BIAS MONTH AHEAD	
BULLISH	NFLX, DOCU, TSLA, BABA, SQ, AMZN, REGN, MA, BA, NVDA, MYOK, UNP, V, UBER, KNX, JD, UNH, WYNN, LOW, MU, CMCSA, MCHP, FSIV, SRPT, DXCM, NEM, PYPL, COF, ZS, OLED
BEARISH	CATM, THO, AYX, WHR, GS, GSX, CAR, PSA, T, SNCR, MFC, GME, SKT, AAL, HRB, ARLP, JPM, OXY, HCSG, CMI, NWL, ULTA, MOS, LII, FANG, CIM, XOM, CRUS, LNG, C, GM

Hawk Vision – 5 Technical Set-Ups in Quality Fundamental Stocks (Hawk 350 Universe) with Options Flow

*** We highlight these kind of set-ups daily in the OptionsHawk Trading Hub***

Arista Network (ANET) working out of a bull wedge and above a 38.2% retracement with monthly MACD nearing a bull cross and RSI working back above the 50 level.



Domino's Pizza (DPZ) working above resistance and set to break to record highs with the next round number at \$400 in sight.



T-Mobile (TMUS) shares working strong above prior highs and out of a large cup and handle pattern.



Danaher (DHR) setting up for a break to new highs out of a large ascending triangle pattern.



Sherwin Williams (SHW) powerful recovery now looking to clear a major high.



Options Radar Highlights

5/6/2020 - Chipotle (CMG) with 485 September \$1060 calls bought to open this afternoon \$25 to \$26.90 and also with 250 June \$875 calls trading to open, a name with little notable open interest, the September \$875/\$850 bull put spreads in OI from a 3/11 trade and seen some OTM January 2021 call buys, volumes tend to be low and come with very steeply priced contracts. CMG shares have been flagging tightly the last few weeks in a very narrow range with an explosive look, and recovering sharply from March weakness back near record highs. The \$24.5B restaurant trades 47.55X Earnings, 4.3X Sales and 65.55X FCF and one of the stronger growth names in the industry where we are likely to see a lot of closures among peers. CMG growth estimates have come down for 2020 seen as a flat year while 2021 seen at 16.8% growth Y/Y. CMG is more resilient to many peers with its takeout/delivery model and its investments in digital the last few years left it better strategically positioned and could lead to further share gains. CMG has around 100 restaurants closed that are mainly inside malls and shopping centers as well as 17 Europe locations. Q1 digital sales grew 81% year-over-year to \$372 million, a record level, and reached 26.3% of total sales. CMG announced a successful national delivery partnership with Uber Eats that is helping drive new customers and greater frequency. CMG was running at +14% comps through February. Since the beginning of April, in-store ordering is down around 75%, while delivery is up about 150%, and order ahead is up nearly 120%, highlighting the importance of its digital platform. BMO raised to Perform with a \$780 target on 4/23 seeing the brand emerging strongly in a reopen scenario. Cowen on 4/22 raised its target to \$950 saying the story is firmly on track and remains a top pick. SunTrust raised its target to \$946 citing strong comps, a healthy balance sheet, and potential to find dislocations in the real estate market. RW Baird raised its target to \$950 noting Q2 comps running ahead of estimates and confident in the underlying story. Piper called it the highest conviction long in the industry and CSFB moved its target to \$940 as the best growth story along with strong EPS growth and margin expansion opportunities. Hedge Fund ownership declined 5.15% in Q4 filings.

5/12/2020 - Mongo Db (MDB) buyers of 1,000 June \$210 calls from \$6.50 to \$7.00, and later in the day action up to 1475X while the June \$220 calls also with 825X being bought near \$5.20 to open. MDB has seen a few other trades mostly coming in under 1000 contracts, the August \$210 calls sold to open 600X on 5/6, the June \$185 calls bought 425X on 5/5, and most notable longer dated are 1400 January \$190 calls in open interest. MDB shares starting the week with a 6.6% rally clearing the highs from earlier this year and have rebounded sharply with software names continuing upward momentum, earnings expected in early June. A first target would be \$216.50 as a Fibonacci extension. The \$10B company is a provider of a cloud-hosted database that announced a partnership last October with Alibaba Cloud and its Atlas product now accounting for 40% of its business. The database market is one of the largest in Software, \$64B spent in 2019 expected to reach \$97B in 2023. Database is at the center of software application which is seeing growing spend/adoption across all industries. MDB noted last call it was encouraged by the breadth of adoption of our platform in terms of use cases, industry verticals and geographies and its sales team was executing at a high level. It saw meaningful productivity increases in both enterprise and corporate channels. It also continues to be very pleased with the progress of the self-serve business, as evidenced by a record number of customer additions in Q4, and continues to expand self-serve operations to become a world-class product-led growth engine. IDC projects the database market to be \$71 billion in 2020 growing to \$97 billion in 2023. MDB has less than a 1% share of this market, long runway for growth. The database market is at the very beginning of a profound platform shift towards the cloud over the next decade. As the new and existing workloads migrate to the cloud, customers will be forced to examine and modernize their data architectures. MDB valuation has jumped with it now trading 21X EV/Revenues for FY21 with topline growth seen at 21.7% after growing 60.8% and 57.9% the prior two years. Analysts have an average price target of \$140.50 and short interest is high around 20% of the float. On 4/19 Stifel raised its target to \$160 from \$135 with a Buy rating expecting it to continue to take market share as organizations of all size undertake digital transformations and MDB's general purpose document database and Atlas are transitioning it to a true cloud platform with expectations for double-digit recurring revenue growth and improving profitability for many years to come. Hedge Fund ownership jumped 11% in Q4 filings, Tiger Global adding to its position.

5/19/2020 - Livongo Health (LVGO) with an interesting long-term bullish bet on 5/18 as June 2022 \$60 calls traded 845X with no former open interest, a name that has also seen action in August and November calls including 900 of the August \$70 calls that opened on 5/12 in a calendar spreads with June calls. LVGO has been a top performer in 2020 with shares up 135% YTD in a parabolic move structure with the strong thematic push to virtual healthcare offerings. Livongo is a tech-enabled platform that leverages AI and behavioral science to empower people with chronic disease, helping them lead better and healthier lives. Their product suite uses a cell-connected blood glucose meter to check levels and then can give individuals feedback such as intraday improvements and longer-term lifestyle changes. LVGO also has reach into hypertension, prediabetes, and weight management. Chronic disease represents ~90% of healthcare spending in the U.S. Livongo estimates its addressable TAM is ~\$50B, and that estimate is likely conservative as it only accounts for 2 of the 4 conditions Livongo marketed products currently serve. Livongo was built to scale. Key distribution partnerships, the stewardship of an extremely experienced management team and an addressable TAM of ~\$50B underlie Livongo's 2018 reported revenue growth of 122% and in 2019 growth of 148.7%. They have a recurring revenue model with most contracts between 1- and 3-years in length. They have a 95.9% retention rate for members and a dollar-based-retention rate of 113.8%. LVGO markets their product through employee health plans and government entities like Medicare Advantage. Remote monitoring is rapidly becoming the new standard in health and care. Livongo's connected technology allows members to track vital signs of interest in maintaining health. The ability for both personalized care as well as broad population surveillance will become critical going forward as an early warning and monitoring system for the health care system at large and a way to efficiently deliver care to those who need it most exactly when and where they need it. The \$6B company now trades 18X EV/Sales. In Q1 it added 380 new clients taking the total to 1,252, up 44% Q/Q and saw strong growth in member enrollment as well as demand in the pipeline. As the number of employee health management programs continue to grow, large employers are increasingly challenged to organize and manage these programs for their employees and LVGO is a key partner option. Livongo announced a deal with the Government Employees Health Association, covering about 2M individuals. Analysts have an average target of \$55.50 on shares with short interest down 35% Q/Q to 10% of the float. On 5/7 Canaccord raised its target to \$65 as results demonstrated the model is scaling is sustaining profitability is around the corner in 2021, saying investors should ride the momentum for the long term opportunity. Piper raised its target to \$55 seeing remote patient monitoring part of the new normal. Hedge Fund ownership jumped 15% in Q1 filings.

5/28/2020 - Cadence Design (CDNS) unusual November \$90 calls being bought 2000X today near \$9.45 to open, similar to bullish December call buying in peer **Synopsys (SNPS)**. CDNS calls are running 8.7X daily average volume and a name lacking much notable open interest prior to today. CDNS shares are hitting record highs with a strong candle this week off its rising 13 day moving average, Fibonacci extension targets at \$91.60 and \$98.50. The \$23.8B provider of chip design software and services trades at a premium valuation of 31.7X Earnings, 10X Sales and 35X FCF with a strong balance sheet. CDNS will present on 6-2 at the BAML Tech Conference. It has grown revenues at steady 9-10% growth the last few years and similar EPS growth rates. CDNS offers a subscription software model with high renewal rates. Cadence and its peers develop highly specialized software, hardware, and IP solutions for the automated design and verification of electronic products and systems. It sees future growth being driven by the data-driven economy with drivers including Machine Learning, Automotive, Datacenter, Mobile and Edge Computing. It has also provided steady growth in operating margins and FCF the last few years. Analysts have an average target of \$85 and short interest low at 1.6% of the float. BAML upgraded to Buy on 4-22 noting " CDNS is a leader in an Electronic Design Automation (EDA) industry that – like semis – is levered to the best markets in tech (AI, Cloud, 5G). However, its recurring sales and high correlation to R&D cycles provide attractive defensiveness during downturns. We believe CDNS is poised to grow sales/EPS/FCF at a dependable 9-12% CAGR, inline/better vs. peers. EDA toolmakers are critical in preserving the pace of innovation in semis, providing the plumbing needed for increasingly complex chip designs. Growth is indexed to global semis R&D that has grown at a 6% CAGR over the last 20 years, has only declined 3 times, and is likely to hold up well in the current environment. EDA still only accounts for ~10-15% of an R&D pool that is diversifying to systems companies such as cloud customers that are ramping up investments to alleviate pandemic induced bandwidth constraints. In a highly consolidated industry, we expect CDNS can sustainably grow sales at a high-single pace, drive 200-300bp operating leverage, and generate superior 10-12% EPS/FCF growth (~30% FCF margins) over the long-term." Wells Fargo raised its target to \$100 this morning. Hedge Fund ownership rose modestly in Q1 filings, Parnassus and Alkeon concentrated holders.

Trades of the Week

Posted Weekly at OptionsHawk.com <https://www.optionshawk.com/trade-of-the-week/>

Earnings Recap

S&P 500 Revenues Above, In-Line, Below Estimates: Q1 2020
(Source: FactSet)

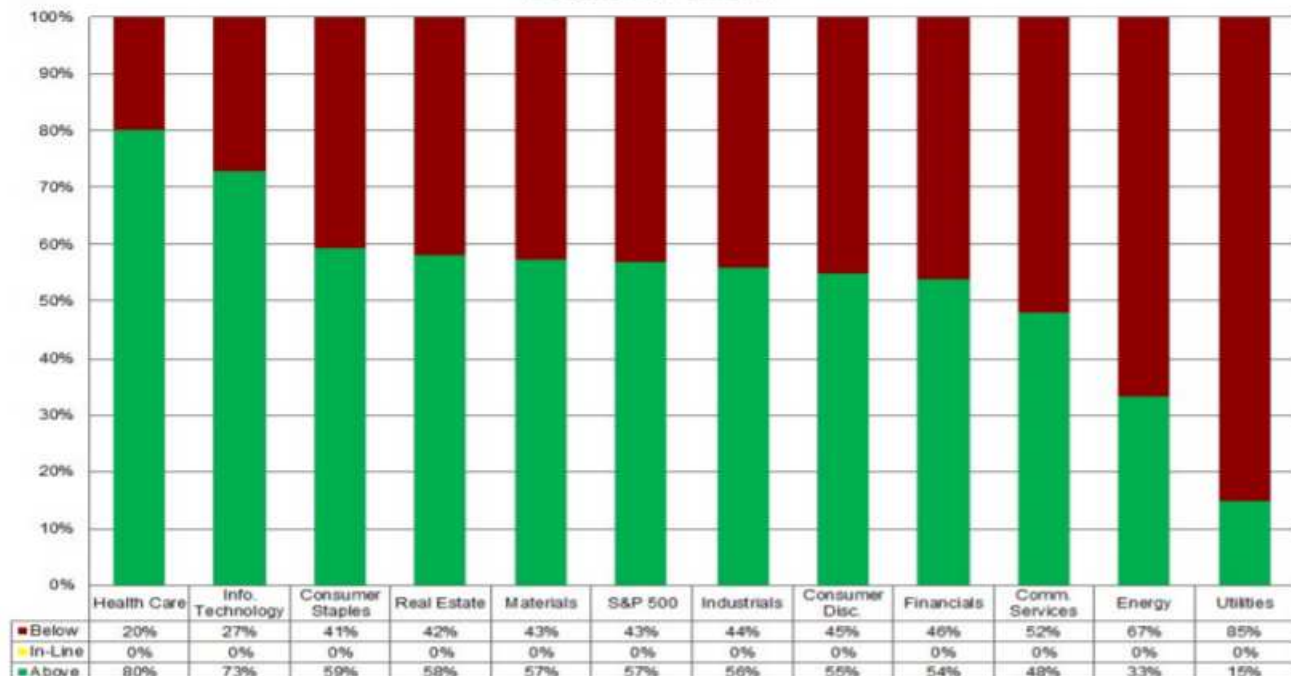
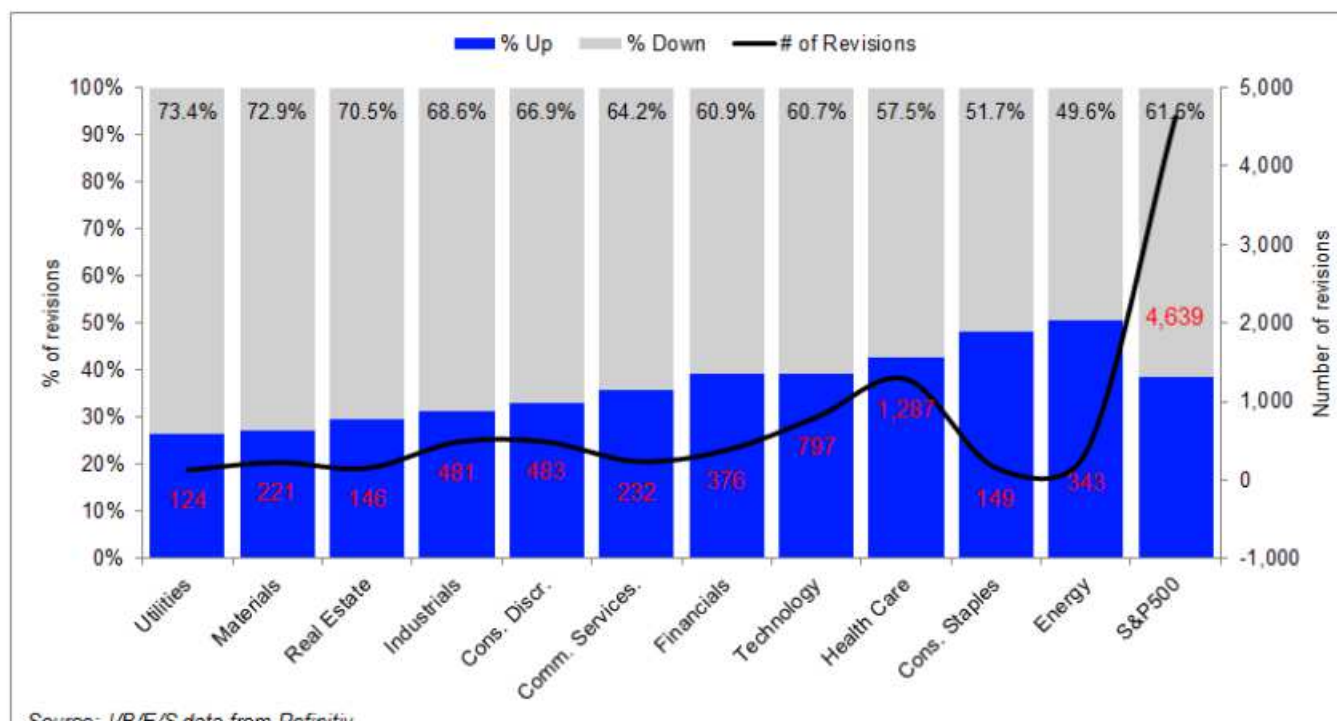


Exhibit 3: All U.S. Companies: Estimate Revisions by Sector



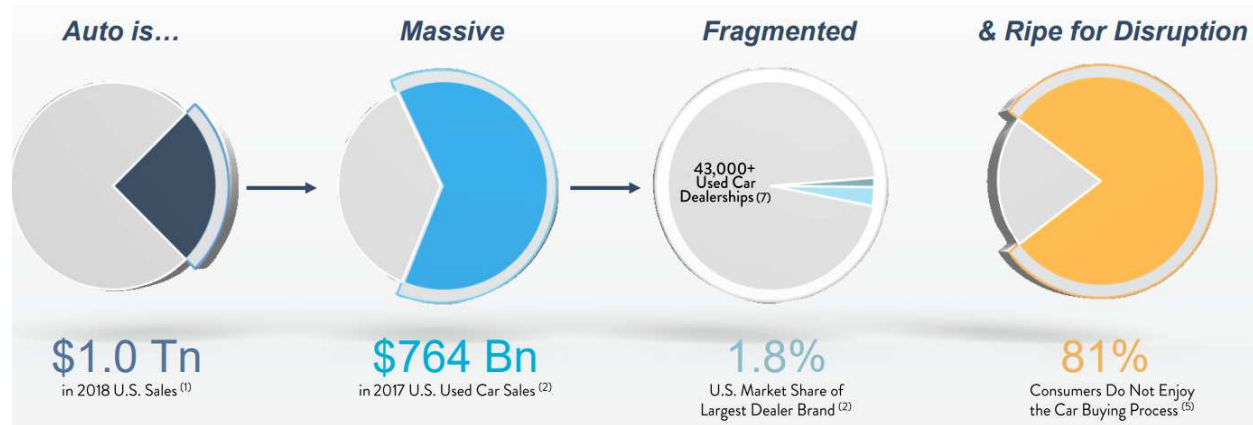
Source: I/B/E/S data from Refinitiv

<u>Strong Beats</u>	<u>Bullish Themes</u>	<u>Weak Outlooks</u>	<u>Bearish Themes</u>
WMT, TGT, BJ, BURL, DLTR, DG, COST	Discount Retailers	ITW	Multi-Industrials
SNPS, NVDA, QRVO	Chips – Gaming & Data-Center	GM	Auto Manufacturers
WIX, NICE, FIVN, JKHY, TWLO, AYX, FSLY, ROKU, TTD, DBX, ADSK, BOX, WDAY, VMW, VEEV	Software	MET	Insurance
NTES, SE, BABA, JD, BIDU	Asia Internet	VIAB	Traditional Cable
PANW, FTNT, NLOK, OKTA, ZS	Network Security	UA, VFC, RL	Apparel
PETS, ZTS	Pet-Care		
W, MELI, SHOP, ETSY	E-Commerce		
ATVI, TTWO, EA, ZNGA	Videogames		
REGN, HZNP, NBIX, SRPT	Biotech		
GPN, SQ, PYPL, FIS, FISV, FLT	Payments		
BMJ	Pharma		
AZO, AAP	Auto Retail		
TOL	Housing		

Theme of the Month

Online Auto Sales

One of the biggest themes emerging from the current pandemic is the acceleration or pull-forward of certain digital transformations in areas like online grocery shopping or restaurant delivery. But, one of the biggest areas that may be permanently impaired from the pandemic is auto sales. Social distancing as well as concerns over high-traffic, confined spaces has had a dramatic impact on the traditional auto sale process and going to a lot and dealing with individuals creates unnecessary risk. This has created an opportunity for online dealerships to thrive.



The auto industry is a \$1T market with over \$750B in used car sales. And from a dealer's perspective, its highly fragmented with the largest dealer brand having just 1.8% market share. The digital car buying process was already showing growth before COVID-19 as well. A Capgemini report in 2014 noted that 97% of customer buys included some form of online research while 75% of survey respondents would buy a car online. Dealerships have long resisted online sales but the pandemic is forcing the issue with companies like **GM** and **AutoNation (AN)** both noting a spike in online sales in March and April. **True Car (TRUE)** noted in late May that used car shopping levels were actually higher than pre-COVID levels with some pent up demand hitting the market. The overall advancement is largely due to simplifying the paperwork process, adding virtual tours, the addition of touchless home delivery, and more. **Carvana (CVNA)**'s CEO Ernie Garcia noted recently how COVID-19 has changed attitude towards online sales...

"there was a survey recently that reported that something like 32% of customers would consider buying a car online. Several weeks ago, which – we're still relatively early in all of this, but several weeks ago that number had jumped up to about 61% of customers said they would consider buying a car online. So, we do think that in this new environment, we have a very, very desirable offering."

According to KPMG, the trend will continue to grow over the next 5-10 years as most auto executives surveyed believe that half of all car dealerships will disappear in the next decade as online sales pick up. And direct sales will grow too. **Porsche** had said that they expect online sales to be 30% of their mix by 2025 while **Mercedes Benz** expects 25% of total sales. Cox Automotive believes that online sales could be 40% of all vehicle sales by 2025.

There are a lot of names in the space but we'll focus on just two.

Carvana (CVNA) is a leader in online-only new and used car sales. They're a major disruptor in the market with their platform to buy and sell cars as well as their innovative 'car vending machines.' The company is in over 160 markets and sold more than 175,000 cars in 2019, up 89% Y/Y. They're focused on building a better user experience including expanding out next-day delivery and they have a deep product portfolio with over 33,500 cars available. They see big opportunity to grow as they expand into new markets, improve on their tech, build out brand awareness, and develop new products. CVNA reported 43% Y/Y growth in units sold in Q1 while adding touchless delivery. On 5-27, William Blair raised their overall estimates for unit sales seeing a big surge in May. They attribute the "surprisingly swift recovery" to market share gains associated with the company's contactless delivery option as well as improving trends across auto retail in general.

Carmax (KMX) is one of the largest used car dealers in the US but their venture into online sales is relatively new. They've been slowly expanding into some major markets like Florida and Texas after doing pilot programs in 2018 in areas like online appraisals. They also expanded into areas like 360-view tours of vehicles and home delivery. KMX has been investing in making their online search better which is increasing leads and conversions. They're also using more predictive analytics to do vehicle recommendations. Overall, even though they're a newer entrant into the space, the company believes it has the brand and scale to be a long-term winner. KMX CEO Bill Nash noted their advantage over peers: "Customers continue to tell us they value an omnichannel experience, empowering them to shop on their terms whenever and wherever is most convenient for them. The unique and powerful integration of our in-store and online capabilities provides us with a significant competitive advantage that no other used car retailer can offer at our size and scale." In May, Wedbush upgraded to Outperform noting that the company is well positioned to capture market share coming out of the COVID-19 pandemic period. Also, consumers' preference for private transportation over public transportation should help further reduce comp pressure.

Finally, **Vroom** is a private company that will gain a lot of attention this summer after filing for an IPO in early May. They last raised in December at \$1.5B valuation. They had \$1.1B in 2019 sales, up 30% Y/Y, while projecting over \$2B in sales by 2021. Other names in the space include online marketplaces like **TrueCar (TRUE)**, **Cars.com (CARS)**, and **CarGurus (CARG)**. **RumbleOn (RMBL)** is a micro-cap name in the space as well with a focus on used motorcycles.

M&A Deal of the Month

It was a very slow month for M&A but on 5/11 Bloomberg reported that Utz is in merger talks with Collier and may be acquired in a \$1B deal, and could see a finalized deal this month. Utz describes itself as the largest independent privately held snack brand in the U.S., the company makes potato chips, pretzels, cheese balls and other snacks under the brands Utz, Bachman and Golden Flake. Utz agreed to buy Conagra Brands Inc.'s direct-store delivery snacks business in September, and completed a merger with snack food maker Kitchen Cooked Inc. in December.

The snacks group among packaged foods has long been a hot-spot for acquisitions and has tended to perform better than other categories, Mondelez (MDLZ) a large cap leader. A recent focus on pantry stock-piling has caused a number of names to rally across this group. A comparison of the names is below:

Symbol	Company Name	1 Y % Chg	Current Market Cap (USD, mn)	EBITDA - As Reported [CAGR, ...]	Total Revenue [CAGR, FY. 1 - FY2] (%)	EBITDA Adj % Sales-FY0 (%)	3 Y ROIC	EV/FCF-LTM (Yesterday) (x)	LFCF mgn-FY0 (%)	Debt-Tot/EBIT DA-FY0 (x)
+3 Tickers										
FLO	FLOWERS FOODS INC	-0.48%	4,843	4.3%	2.8%	10.25%	2.43	20.9x	6.38%	2.3x
LANC	Lancaster Colony Corp.	-3.62%	3,930	12.0%	3.6%	16.43%	4.98	50.4x	9.69%	0.0x
HAIN	HAIN CELESTIAL GROU...	22.24%	3,041	-90.1%	-6.0%	8.31%	7.31	131.6x	-1.56%	3.5x
THS	TreeHouse Foods Inc.	-10.34%	2,867	-36.3%	-1.8%	11.57%	6.18	17.7x	3.75%	4.4x
JJSF	J & J Snack Foods Corp	-24.87%	2,352	5.3%	-3.1%	13.95%	8.83	29.1x	7.62%	0.0x
SMPL	Simply Good Foods Co	-26.23%	1,564	4.0%	31.3%	18.86%	7.31	28.3x	13.76%	1.9x
TWPK	Hostess Brands Inc	-12.39%	1,529	6.0%	6.7%	22.55%	3.57	30.7x	11.40%	4.8x
BGS	B&G Foods, Inc.	-0.04%	1,428	-30.4%	1.1%	18.22%	0.46	222.8x	0.25%	5.8x
JBSS	John B. Sanfilippo & Son,...	9.48%	977	6.7%	1.8%	9.27%	9.75	21.6x	7.80%	0.6x
UNFI	United Natural Foods Inc	49.19%	937	-91.7%	35.5%	2.63%	6.75	45.0x	0.36%	3.0x
BRBR	BELLRING BRANDS, INC.	-	764	24.6%	10.6%	23.19%	--	30.5x	11.13%	0.0x

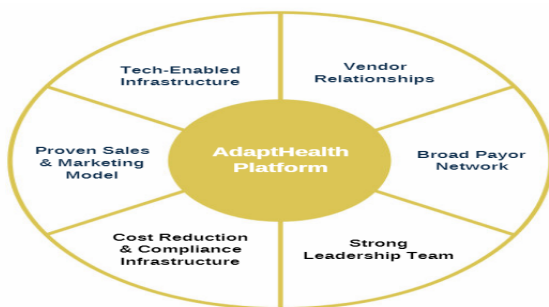
BellRing Brands (BRBR) is an intriguing small cap as a maker of nutrition products and the best growth with a clean balance sheet, but concerns with its tied to the gym distribution channel. **Simply Good Foods (SMPL)** is another nutritional and snacks name with an attractive growth profile and strong margins while seeing plenty of insider buying into recent weakness. **Hostess (TWNK)** has the best margins of the group though also a highly levered balance sheet, but a name that seems like an acquisition candidate down the road.

Lancaster (LANC) is the favorite defensive name of the group with solid consistent growth, above-average margins and a debt-free balance sheet. The \$3.95B company trades 25.55X Earnings and 2.95X Sales with a 1.96% dividend yield. LANC is likely to face some near-term pressures as a supplier to 16 of the top 25 national restaurant chains. The 51% exposure to Retail with brands like NY Bakery, Simply Dressed, Flatout, Marzetti and Reames will be strong but 49% exposure to Food-Service could take a hit.

Small Cap of the Month

AdaptHealth (AHCO) is a \$1.24B maker of home healthcare equipment and supplies. AHCO focuses primarily on providing (i) sleep therapy equipment, supplies and related services (including CPAP and bi-PAP services) to individuals suffering from obstructive sleep apnea ("OSA"), (ii) home medical equipment ("HME") to patients discharged from acute care and other facilities, (iii) oxygen and related chronic therapy services in the home and (iv) other HME medical devices and supplies on behalf of chronically ill patients with diabetes care, wound care, urological, ostomy and nutritional supply needs. Following the acquisition of the Patient Care Solutions business from McKesson Corporation in January 2020, AHCO services approximately 1.4 million patients annually in all 50 states through its network of 187 locations in 38 states.

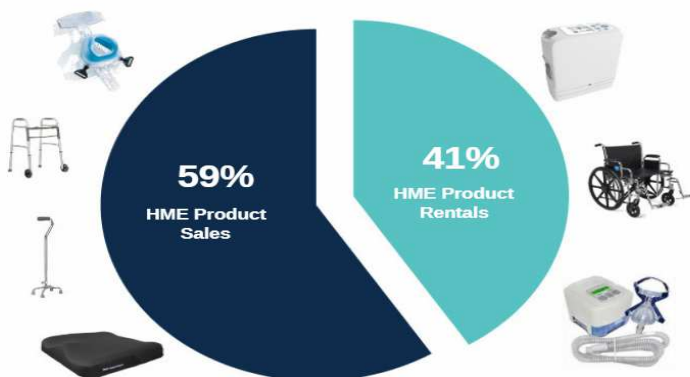
AHCO is trading 21.55X Earnings and 2.06X Sales. AHCO is addressing a \$12B-\$15B segment of the \$56B HME industry. HME service providers deliver critical medical equipment into a patient's home. AHCO is likely to continue to use M&A in a highly fragmented industry, current leverage is at 2.7X.



Tech-Enabled Infrastructure:

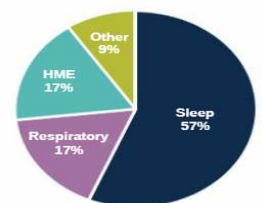
- ✓ Electronic portal / interface
- ✓ Proprietary workflow technology
- ✓ Improved efficiency from time of order to delivery
- ✓ Easy for physicians to use
- ✓ Automated, integrated workflow for patients' care plans
- ✓ Improved compliance

Revenue Breakdown at 9/30/19
Net Revenue = \$380.1mm *

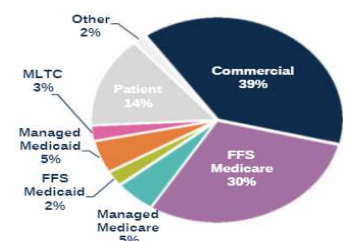


*Less Provision for Doubtful Accounts

Product Mix



Payor Mix

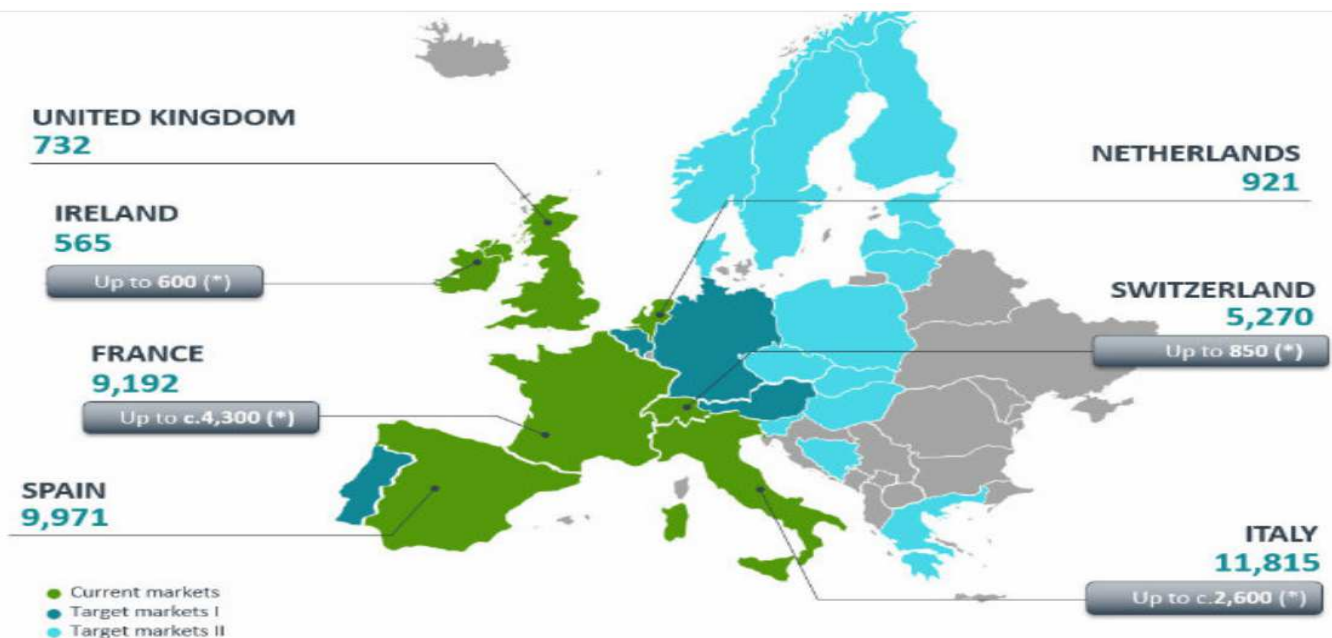
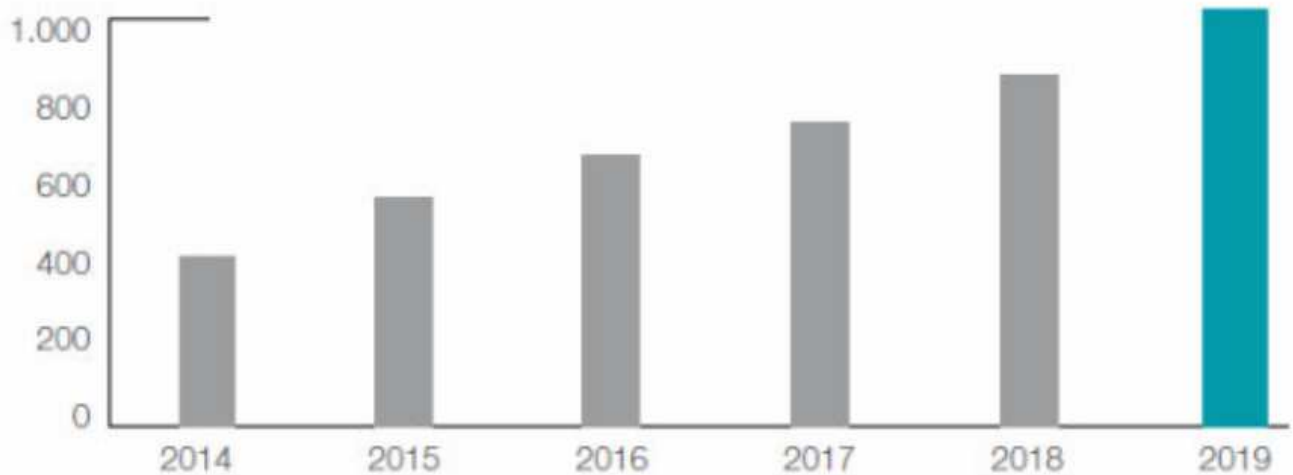


Source: Management Notes: 1. YTD September 30, 2019. 2. Payor Mix based on revenue before provision for doubtful accounts. 3. Product mix based on revenue less provision for doubtful accounts

International Stock of the Month

Cellnex (CLNX:SM) was founded in 2015 with the goal of becoming Europe's leading telecommunications infrastructure manager by providing a secure, high-quality service tailored to the needs of its customers. As such, Cellnex conducts its business in three main areas of service: Telecommunications Infrastructure Services, Broadcasting Infrastructure and Other Network Services. Cellnex's business model focuses on the provision of services to mobile network operators (MNOs), broadcasters and other public and private companies acting as a neutral infrastructure provider. Cellnex is Europe's leading operator of wireless telecommunications and broadcasting infrastructures with a portfolio of up to 54,000 sites (including forecast roll-outs up to 2027) located in Spain, Italy, Netherlands, France, Switzerland, the United Kingdom and Ireland. As at 31 December 2019, the Group manages portfolio of 36,471 sites and 1,995 nodes, which make a total of 38,466 infrastructures.

TOTAL INCOME (MILLIONS OF EUROS)

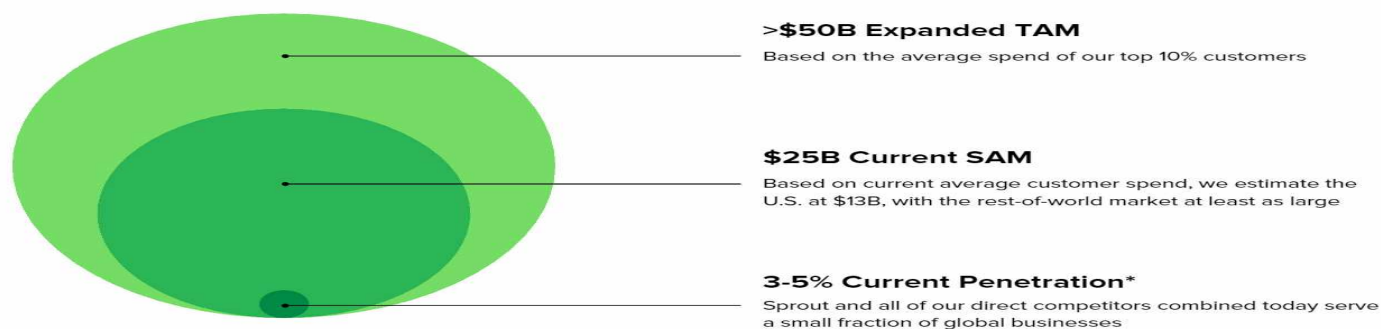


(*) Perimeter to be executed by 2027 mainly through the BTS programs.

IPO Watch

Sprout Social (SPT) shares have climbed 64% YTD since its debut now carrying a market cap of \$1.39B. Sprout Social is a powerful, centralized platform that provides the critical business layer to unlock the massive commercial value of social media. Currently, more than 23,000 customers across 100 countries rely on its platform to reach larger audiences, create stronger relationships with their customers and make better business decisions. With more than 3.4 billion global users consuming and sharing billions of posts per day, social media has fundamentally changed not only marketing but the entire customer experience. Social media is becoming mission-critical to the way organizations reach, engage and understand their target audience and customers. Sprout Social empowers businesses around the globe to tap into the power and opportunity presented by the shift to social communication. Social media reaches almost half of the world's population, significantly influences buying behaviors and has changed the way the world communicates. Billions of users are sharing their interests, opinions and values with their social networks every day and are using social media to communicate with and about businesses, organizations and causes on an unprecedented scale. Virtually every aspect of business has been impacted by social media, from marketing, sales and public relations to customer service, product and strategy, creating a need for an entirely new category of software. Its cloud software brings together social messaging, data and workflows in a unified system of record, intelligence and action. Operating across major social media networks, including Twitter, Facebook, Instagram, Pinterest, LinkedIn, Google and YouTube, we provide organizations with a centralized platform to effectively manage their social media efforts across stakeholders and business functions. It operates a single code-base without the need for customizations or professional services, allowing it to efficiently scale the platform and quickly react to changes in the market. Relative to primary competitors, its platform is the top user-rated social media management software across all categories and customer segments according to G2 Crowd, reinforcing its leading market position and brand.

In a very large market



SPT shares currently trade 9.3X EV/Sales with revenue growth of 30.3% in 2019 and forecasts of 25% growth in 2020. Its dollar-based net retention rate for the years ended December 31, 2017 and 2018 was 108% and 106%, respectively. Its dollar-based net retention rate excluding our SMB customers for the years ended December 31, 2017 and 2018 was 118% and 115%, respectively.

	As of December 31,		As of September 30,	
	2017	2018	2018	2019
	<i>(dollars in thousands)</i>			
Number of customers	18,802	21,135	20,761	23,066
Total ARR	\$ 70,422	\$ 92,487	\$ 86,161	\$ 109,486
Organic ARR	\$ 54,317	\$ 82,841	\$ 75,699	\$ 103,855
Number of customers contributing more than \$10,000 in ARR	772	1,391	1,157	1,965

Insider Activity Monthly Recap

For Detailed Write-Ups Visit <https://www.optionshawk.com/options-trader/insider-trading-spotlight/>

Trade Date	Ticker	Company	Insider Name	Insider Title	Price	Qty	ΔOwn	Value
5/18/2020	ACGL	Arch Capital Group Ltd.	Grandisson Marc	Pres, CEO	\$24.50	23,500	1%	\$575,750
5/13/2020	ACM	Aecom	Rudd Troy	EVP, CFO	\$30.05	8,343	12%	\$250,711
5/15/2020	AES	Aes Corp	Ubben Jeffrey W	See Remarks	\$11.67	500,000	12%	\$5,835,000
5/6/2020	AGNC	Agnc Investment Corp.	Kain Gary D	Dir, CEO, CIO	\$12.60	189,188	9%	\$2,383,390
5/6/2020	AIG	American International Group Inc	Jurgensen William G	Dir	\$24.10	20,000	133%	\$481,966
5/12/2020	AMG	Affiliated Managers Group, Inc.	Jeffery Reuben III	Dir	\$65.21	10,000	New	\$652,100
5/13/2020	AMG	Affiliated Managers Group, Inc.	Horgen Jay C.	Pres, CEO	\$59.26	10,000	8%	\$592,600
5/13/2020	AON	Aon Plc	Knight Lester B	Dir	\$195.00	70,000	32%	\$13,650,000
5/8/2020	ARMK	Aramark	Ondrof Thomas Gerard	EVP, CFO	\$24.99	10,000	56%	\$249,908
5/20/2020	ARNC	Arconic Corp	Henderson Frederick A.	Dir	\$10.44	33,200	210%	\$346,508
5/8/2020	AVNS	Avanos Medical, Inc.	Blackford Gary	Dir	\$28.75	10,000	40%	\$287,500
5/15/2020	BFS	Saul Centers, Inc.	Saul B Francis II	CEO, Pres, 10%	\$29.75	10,500	0%	\$312,398
5/12/2020	BHC	Bausch Health Companies Inc.	Paulson John	Dir	\$16.65	5,000,000	24%	\$83,251,536
5/12/2020	BLMN	Bloomin' Brands, Inc.	Scarlett Gregg	EVP, COO of Casual Dining	\$10.05	25,000	41%	\$251,200
5/18/2020	BRKA	Berkshire Hathaway Inc	Witmer Meryl B	Dir	\$1,725.51	1,008	101%	\$1,739,316
5/4/2020	BXP	Boston Properties Inc	Duncan Bruce W	Dir	\$89.14	11,000	New	\$980,587
5/14/2020	BXP	Boston Properties Inc	Duncan Bruce W	Dir	\$74.79	10,000	91%	\$747,910
5/12/2020	BYD	Boyd Gaming Corp	Boyd William S	Exec COB, 10%	\$16.07	100,000	1%	\$1,607,450
5/14/2020	CAC	Camden National Corp	Bresnahan Ann W	Dir	\$26.06	10,000	26%	\$260,576
5/12/2020	CALX	Calix, Inc	Listwin Donald J	Dir	\$12.11	30,000	3%	\$363,408
5/18/2020	CARR	Carrier Global Corp	Gitlin David L.	Pres, CEO	\$17.45	57,580	447%	\$1,004,765
5/18/2020	CARR	Carrier Global Corp	Greisch John J	Dir	\$17.44	35,000	>999%	\$610,316
5/15/2020	CATM	Cardtronics Plc	Hudson Executive Capital LP	Dir, 10%	\$18.94	39,023	0%	\$739,096
5/12/2020	CB	Chubb Ltd	Scully Robert W	Dir	\$102.40	9,750	31%	\$998,400
5/12/2020	CFR	Cullen/frost Bankers, Inc.	Weston Graham M	Dir	\$68.00	29,400	22%	\$1,999,160
5/11/2020	CNP	Centerpoint Energy Inc	Lesar David J	Dir	\$17.98	17,110	New	\$307,580
5/15/2020	CRTX	Cortexyme, Inc.	Lamond David	Dir	\$55.35	44,648	2%	\$2,471,251
5/11/2020	CVS	Cvs Health Corp	Lotvin Alan	EVP, Pres-CVS Caremark	\$63.13	5,000	10%	\$315,675
5/6/2020	DFS	Discover Financial Services	Eichfeld Robert Andrew	EVP - Chief HR, Admin Officer	\$39.50	12,650	61%	\$499,675
5/12/2020	EIG	Employers Holdings, Inc.	Dirks Douglas D	Pres, CEO	\$29.42	19,000	4%	\$558,910
5/12/2020	EPRT	Essential Properties Realty Trust, Inc.	Sautel Stephen D	Dir	\$11.78	38,000	17%	\$447,520
5/14/2020	ESGR	Enstar Group Ltd	Gerhardt Hans-Peter	Dir	\$123.50	4,000	47%	\$494,000
5/12/2020	FBK	Fb Financial Corp	Ayers James W.	Exec COB, 10%	\$22.10	59,250	0%	\$1,309,410
5/4/2020	FIX	Comfort Systems USA Inc	Tang Vance W	Dir	\$31.94	10,000	48%	\$319,400
5/13/2020	FTV	Fortive Corp	Spoon Alan G	Dir	\$55.22	20,000	39%	\$1,104,460
5/15/2020	GBX	Greenbrier Companies Inc	Furman William A	COB, CEO	\$16.52	100,000	42%	\$1,652,000
5/14/2020	GDOT	Green Dot Corp	Osher Jeffrey	Dir	\$34.64	25,000	2%	\$865,877
5/6/2020	GEO	Geo Group Inc	Zoley George C	COB, CEO	\$11.31	250,000	8%	\$2,828,275
5/12/2020	GM	General Motors Co	Russo Patricia F	Dir	\$23.18	12,700	103%	\$294,386

Trade Date	Ticker	Company	Insider Name	Insider Title	Price	Qty	ΔOwn	Value
5/8/2020	HOG	Harley-Davidson, Inc.	Zeitz Jochen	COB, Acting Pres	\$21.26	97,850	>999%	\$2,080,086
5/13/2020	HOG	Harley-Davidson, Inc.	Zeitz Jochen	COB, Acting Pres	\$19.52	51,020	51%	\$996,007
5/13/2020	HOG	Harley-Davidson, Inc.	Olin John A	SVP, CFO	\$19.02	13,500	19%	\$256,774
5/6/2020	ITW	Illinois Tool Works Inc	Santi Ernest Scott	COB, CEO	\$158.42	6,300	5%	\$998,046
5/6/2020	ITW	Illinois Tool Works Inc	Lenny Richard H	Dir	\$159.19	1,575	12%	\$250,724
5/7/2020	JVRV	James River Group Holdings, Ltd.	Abram J Adam	CEO	\$31.86	15,384	3%	\$490,076
5/12/2020	KTB	Kontoor Brands, Inc.	Carucci Richard	Dir	\$16.00	18,000	59%	\$287,996
5/15/2020	LAMR	Lamar Advertising Co/new	Koerner John E III	Dir	\$58.27	17,000	70%	\$990,590
5/13/2020	LKFN	Lakeland Financial Corp	Welch M Scott	Dir	\$35.92	10,000	4%	\$359,211
5/13/2020	MCY	Mercury General Corp	Joseph George	COB	\$36.25	157,000	1%	\$5,691,250
5/14/2020	MCY	Mercury General Corp	Joseph George	COB	\$35.94	122,715	1%	\$4,410,377
5/7/2020	MCY	Mercury General Corp	Joseph George	COB	\$35.19	103,465	1%	\$3,640,933
5/11/2020	MCY	Mercury General Corp	Joseph George	COB	\$35.65	66,363	0%	\$2,365,841
5/20/2020	MCY	Mercury General Corp	Joseph George	COB	\$38.72	58,559	0%	\$2,267,404
5/12/2020	MCY	Mercury General Corp	Joseph George	COB	\$37.00	59,582	0%	\$2,204,534
5/15/2020	MCY	Mercury General Corp	Joseph George	COB	\$37.80	41,418	0%	\$1,565,600
5/8/2020	MCY	Mercury General Corp	Joseph George	COB	\$35.59	29,883	0%	\$1,063,536
5/19/2020	MCY	Mercury General Corp	Joseph George	COB	\$38.86	26,000	0%	\$1,010,360
5/15/2020	MGLN	Magellan Health Inc	Murray James E	Pres, COO	\$67.63	4,500	New	\$304,317
5/12/2020	MKL	Markel Corp	Wilson Debora J	Dir	\$831.86	1,000	26%	\$831,863
5/7/2020	MLHR	Herman Miller Inc	Volkema Michael A	Dir	\$21.94	25,000	33%	\$548,453
5/8/2020	MMP	Magellan Midstream Partners, L.P.	Joung Chansoo	Dir	\$42.11	13,370	193%	\$562,989
5/12/2020	MYE	Myers Industries Inc	McGaugh Michael P.	Pres, CEO	\$12.14	25,000	100%	\$303,500
5/12/2020	NNI	Nelnet Inc	Dunlap Michael S	Exec COB, 10%	\$44.57	1,347,200	23%	\$60,044,704
5/20/2020	NP	Neenah Inc	Desantis Paul F	SVP, CFO, Treasurer	\$49.92	6,000	67%	\$299,520
5/5/2020	ONB	Old National Bancorp /in/	Hermann Daniel S	Dir	\$13.63	20,170	New	\$275,002
5/8/2020	OXFD	Oxford Immunotec Global Plc	Wrighton-Smith Peter	CEO	\$11.46	43,600	12%	\$499,475
5/13/2020	PENN	Penn National Gaming Inc	Handler David A	Chairman of the Board	\$18.00	27,777	14%	\$499,986
5/13/2020	PENN	Penn National Gaming Inc	Handler David A	Chairman of the Board	\$18.00	27,777	14%	\$499,986
5/13/2020	PENN	Penn National Gaming Inc	Snowden Jay A	Pres, CEO	\$18.00	27,777	21%	\$499,986
5/12/2020	R	Ryder System Inc	Eck Robert J.	Dir	\$34.57	7,500	31%	\$259,275
5/8/2020	RCII	Rent A Center Inc De	Brown Jeffrey J	Dir	\$23.01	20,000	New	\$460,118
5/9/2020	RCII	Rent A Center Inc De	Hetrick Christopher B.	Dir	\$23.24	13,725	New	\$318,955
5/13/2020	RM	Regional Management Corp.	Basswood Capital Management, L.L.C.	Director-by-Deputization, 10%	\$11.32	47,650	514%	\$539,398
5/13/2020	RM	Regional Management Corp.	Basswood Partners, L.L.C.	Director-by-Deputization, 10%	\$11.32	40,029	28%	\$453,128

Trade Date	Ticker	Company	Insider Name	Insider Title	Price	Qty	ΔOwn	Value
5/19/2020	STFC	State Auto Financial Corp	Garland Kim Burton	SVP	\$19.51	18,745	17%	\$365,715
5/7/2020	STFC	State Auto Financial Corp	Garland Kim Burton	SVP	\$21.26	14,786	16%	\$314,350
5/15/2020	SYBT	Stock Yards Bancorp, Inc.	Bickel Paul J III	Dir	\$28.21	12,175	92%	\$343,464
5/15/2020	SYT	Sysco Corp	Frank Joshua D.	Dir	\$48.06	703,700	3%	\$33,819,881
5/15/2020	SYT	Sysco Corp	Peltz Nelson	Dir	\$48.06	703,700	3%	\$33,819,881
5/7/2020	TBK	Triumph Bancorp, Inc.	Anderson Charles A	Dir	\$24.74	32,000	24%	\$791,680
5/11/2020	TCDA	Tricida, Inc.	Parker Geoffrey M.	Chief Fin. Officer, EVP	\$30.09	35,000	18%	\$1,053,203
5/12/2020	TDG	Transdigm Group Inc	Small Robert J	Dir	\$339.26	139,205	6%	\$47,226,727
5/11/2020	TDG	Transdigm Group Inc	Small Robert J	Dir	\$350.50	113,804	5%	\$39,888,688
5/13/2020	TDG	Transdigm Group Inc	Small Robert J	Dir	\$319.03	104,921	5%	\$33,473,061
5/13/2020	TDG	Transdigm Group Inc	Small Robert J	Dir	\$328.38	14,000	1%	\$4,597,249
5/8/2020	TDG	Transdigm Group Inc	Hennessy Sean P	Dir	\$346.45	2,000	6%	\$692,892
5/12/2020	TFC	Truist Financial Corp	Qubein Nido R	Dir	\$34.16	10,000	17%	\$341,625
5/5/2020	UFI	Unifi Inc	Langone Kenneth G	Dir	\$10.99	40,000	3%	\$439,750
5/4/2020	UNVR	Univar Solutions Inc.	Alexos Nicholas W	EVP, CFO	\$13.33	250,000	New	\$3,333,725
5/18/2020	VGR	Vector Group Ltd	Lampen Richard	EVP	\$10.85	25,000	9%	\$271,250
5/7/2020	VRT	Vertiv Holdings Co	Flannery Colin	GC, Secretary	\$11.19	45,450	255%	\$508,586
5/8/2020	VRT	Vertiv Holdings Co	Monser Edward L	Dir	\$11.17	44,000	New	\$491,480
5/12/2020	VVNT	Vivint Smart Home, Inc.	Pedersen Todd R.	CEO	\$12.93	25,367	123%	\$327,981
5/13/2020	VVNT	Vivint Smart Home, Inc.	Pedersen Todd R.	CEO	\$11.58	25,367	55%	\$293,785
5/13/2020	WAB	Westinghouse Air Brake Technologies Corp	Kassling William E	Dir	\$50.31	10,000	1%	\$503,134
5/6/2020	WH	Wyndham Hotels & Resorts, Inc.	Ballotti Geoffrey A	Pres. CEO	\$39.39	10,000	3%	\$393,920
5/13/2020	ZION	Zions Bancorporation	Simmons Harris H	COB	\$26.43	40,000	3%	\$1,057,072

Sector ETF Set-Up of the Month

Utility (XLU) looks to have put in a meaningful bottom at long-term trend support and a re-test of its breakout and large volume zone, and seeing a lot of short term momentum signals in top components. XLU should offer some nice entries for longer term yield investments, top holdings include **NEE, D, DUK, SO, AEP, EXC, SRE, and XEL**.



Monthly Educational and Insightful Links

Above the Crowd – Loss Essays – Bill Gurley

<https://drive.google.com/file/d/1jX3GbFCInJc4vzSf4XWYyD6RosCdKOh/view>

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.

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