



FEATURED OPTIONS RADAR REPORT



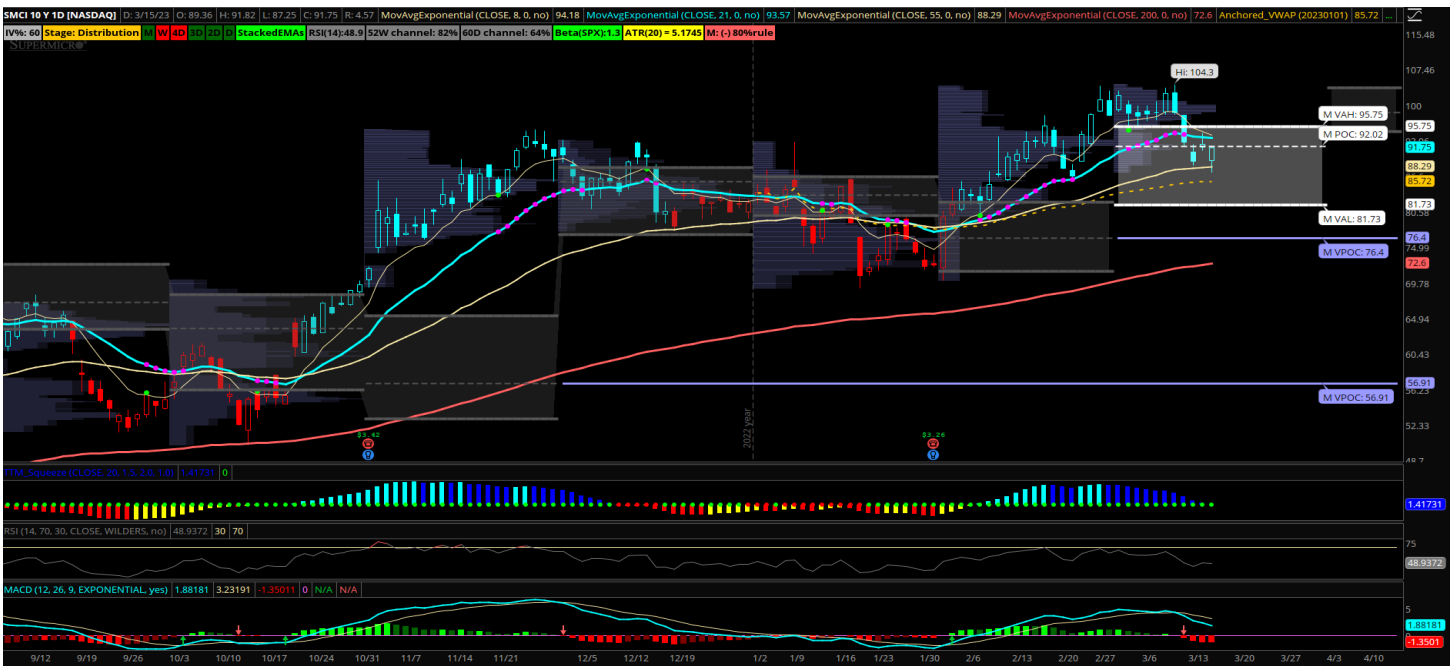
Tech Hardware Relative Strength Leader Sees Large Call Buyer

Ticker/Price: SMCI (\$91.75)

Analysis:

Super Micro Computer (SMCI) on 3/14 saw unusual buyers of more than 4400 May \$120 OTM calls at \$3.30 for over \$1.5M on the day for the name that rarely sees large option flow of that size. SMCI still has some smaller notables in May expiration with the May \$95/\$105 bull risk reversals opened 300x on 3/3 and also about 900 May \$80 calls in OI from buyers on 1/31 at \$7.50 while also a buyer of 300 August \$95 calls for \$16.40. Shares have been pulling back to the 55-day EMA this week and yesterday formed a bullish candle off that support near 88 and closed on highs. Resistance is at 95 and then 100 and 104 former highs while support is seen below at 85 and then 81.75 and 76.50 being a VPOC of volume support. The \$4.9B company trades at 9.4x earnings, 0.6x sales, FCF yield of 3.5% while revenue is expected to grow +30% in FY23 and +14% growth estimated in FY24. The Company provides Silicon Valley-based accelerated compute platforms that are application-optimized server and storage systems for various markets, including enterprise data centers, cloud computing, artificial intelligence, fifth generation (5G) and edge computing. SMCI is coming off a strong quarter where they beat EPS by \$0.23 and Revenues as well while giving inline guidance. Average analyst target is \$101. Northland boosted its target last month to \$175 from \$165 and keeps a Outperform saying Super Micro's March quarter guidance and June quarter color indicates "record margins" and free cash flow generation will continue. Spruce Point did a negative piece on the name but the stock rebounded just as quickly and Northland stated that it presents a great entry point. Super Micro trades at a modest 20% discount to peers on the higher quality P/E metric, but they believe this will expand to a material premium due to the durability of the company's growth opportunity. Short interest is 6.9%. Hedge fund ownership fell 1.7% last quarter.

Hawk Vision:



Hawk's Perspective: SMCI is a solid uptrend and one of the better dip buying Tech names the past year although volatile it can be bought here off the 55 day EMA with stop under 85 for run to highs again.

Confidence Ranking: \$\$