



FEATURED OPTIONS RADAR REPORT



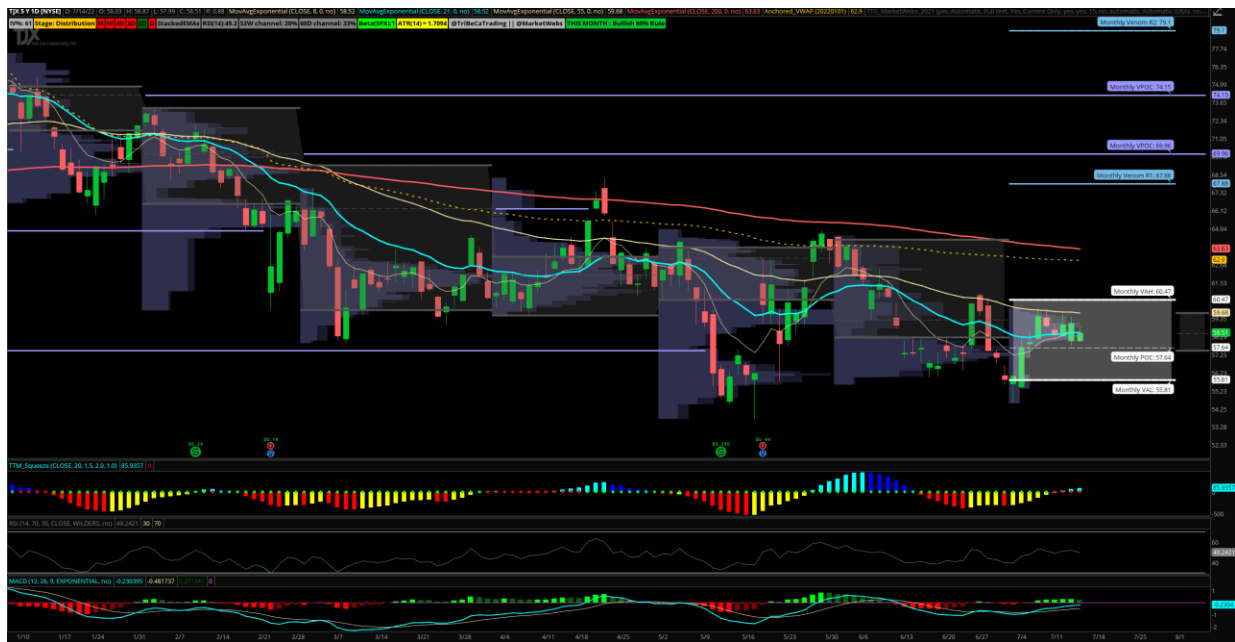
Quality Retailer Sees Bullish Call Buyer at Long Term Support

Ticker/Price: TJX (\$58.51)

Analysis:

TJX Co (TJX) with a large ITM buyer on 7/13 for 2,000 October \$50 calls at \$10.00 for \$2M total. The name has seen mostly bull flows of late with opening put sales active in August \$50 puts, and October \$57.50 puts sold at \$4.40 for over \$947k as well as the October \$62.50, \$60 and \$55 puts in open interest from opening sellers looking for a floor near these levels. Shares have pulled back to the 200-week EMA, a long-term support level and have stabilized and starting to form a basing pattern. Weekly MACD is nearing a bull cross this week and the 55 level represents a big volume node also from 2020. On an upside rebound, the YTD VWAP comes in as resistance near 63 and yearly value area at 65. The stock has respected the 55 level by forming a double bottom off those lows from May. The \$68.6B company trades 17.5x earnings and 1.3x EV/sales with a FCF yield of 3.8% and has a 2.0% dividend yield. TJX is an off-price apparel and home fashions retailer in the United States and across the world. Revenue is estimated to grow 6.5% in both FY23 and FY24. Average analyst target is \$78 with a Street high of \$88. On 5/17, Morgan Stanley boosting their target to \$80 and keeping Outperform rating on the stock, stating that Management raised fiscal year profitability targets while lowering revenue expectations, citing strategic pricing initiatives and expense management in addition to a category mix shift back to apparel from home, all of which is viewed as credible and having durable benefits, adding that they view Q1 as a clearing event and recommends initiating or adding to TJX positions. Baird also has an Outperform rating and after the guidance raise in May said they believe TJX is better positioned than many to navigate a tougher macro backdrop supporting its attractive risk/reward at current levels. Barron's also out recently writing that TJX looks like a bargain as they can leverage their reputation for value at a time when consumers are spending selectively on nonessentials. Short interest is low at 1%. Hedge fund ownership rose 1%.

Hawk Vision:



Hawk's Perspective: TJX is seeing a nice base forming and can trade long against that May double bottom low under 55. Getting above 60 the next hurdle for upside follow through.

Confidence Ranking: \$\$