

# OptionsHawk

## OPTIONS HAWK DAILY MARKET 1/21/2020

### Sector Leaders

Bonds

Gold Miners

Software

### Stock Gainers

NVAX 42%

APT 39.5%

LAKE 17.65%

GILT 13.5%

BYND 12.25%

ATLS 11.3%

CVM 10.7%

### Volatility Gainers

- LK
- BYND
- AVYA
- YETI
- INSG
- SRCL

### High Call Volume

- YETI
- NVAX
- MLCO
- AER
- CVM
- BK

### Bullish Options

- C
- CRM
- PAAS
- LVS
- GS
- WYNN
- AMAT
- UBER
- JNJ
- HLF
- ALXN

### Sector Laggards

Metals

Energy

Transports

### Stock Losers

CNX -12.8%

ARWR -12.1%

TCOM -10.6%

HTHT -10.6%

WW -9.5%

ZNH -9.3%

PFNX -8.5%

### Volatility Losers

- LOGI
- ZIOP
- TAL
- I
- UBS
- BB

### High Put Volume

- EMN
- CNX
- HTHT
- SRCL
- HLT
- DOV

### Bearish Options

- TCOM
- DBX
- HTHT
- LEN
- AMZN
- YETI
- PII
- EMN
- ROKU
- SRCL
- GRUB

**Market Review:** Stocks were lower to start the week in a risk-off move on a number of factors, Trump speaking at Davos as the impeachment trial begins, the IMF with a weaker growth outlook for 2020, and a virus scare in China. On a positive note, investor confidence in Germany rose to the highest level in 4 years. We saw safety groups like Bonds and Gold outperform in the morning while Software and Semiconductors continued to lead Tech strength. The laggards were familiar with Energy, Metals, and Transports but also plenty of weakness in Banks, Industrials and Biotech. A midday report that the virus had entered the US caused markets to move back lower, overall a choppy session without a trend move and with markets extended near resistance seeing some profit taking and shifts to less risk, which is expected as we enter the bulk of the earnings season that next few weeks.

### S&P Chart:



Resistance	Support
3,305	3,187.5
3,390	3,178.5
3,440	3,167

**Options Action Trends:** In early action the big Banks saw a lot of bullish call flows with **C, GS** and **BAC**. Weakness in Casino leaders **WYNN/LVS/MLCO** saw massive call buys seeing an opportunity.

**What's On Tap:** Chicago Fed Activity and Existing Home Sales. Earnings from JNJ, ABT, ASML, TXN, PLD, KMI, RCI, NTRS, CTXS, TDY, TER, ALLY, PTC, STLD.

### Trade Tracker Portfolio Changes:

- 1) **Earnings Flow Trades** (Long JNJ February \$150/\$155/\$160 Butterfly Call Spreads \$1.20; Long UAL June \$90/\$100 Call Spreads \$3.85; Long SWKS February \$125/\$130 Call Spreads \$2)
- 2) **Spotlight:** Long LYFT April \$47.5/\$52.5 Call Spreads \$1.70



## China Mobile Unusual Calls Bought as Shares Base

**Ticker/Price:** CHL (\$46.55)

### Analysis:

**China Telecom (CHL)** unusual action on Friday with over 3,500 ITM March \$40 calls bought on the day around \$3.50 to \$3.60, running around 9X average. CHL also saw small action in the March \$45 calls where over 3,000 sit in OI while the March \$42.50 puts were sold to open in September. Shares have been in a downtrend since March/April but moving out of a base last week that extended back to August and also above the 200-MA for the first time since April. CHL had a positive MACD divergence into the recent lows and has a measured move up to \$50 on the base breakout which also aligns closely with the 61.8% Fibonacci of the decline. The \$174.74B company trades 10.5X earnings and 1.64X sales with a strong cash position (~\$15/share) and a 4.5% yield. CHL is guiding to low-single digit growth in FY21 with revenues accelerating up over \$115.66B. CHL is the leading wireless provider in the Chinese market with over 946M customers. The company has tailwinds from 5G which China's leadership has made a massive priority by expediting over \$180B in investments to launch. CHL rolled out 5G commercial services in more than 50 cities in 2019 with a focus on smart agriculture, healthcare, and industrial. They also outlined a multi-tiered plan in August aimed at enhancing their growth engines in enterprise, mobile cloud services, and data center. Hedge fund ownership rose 1.4% in Q3 and short interest is negligible. Harding Loevner a notable holder with 10M shares. Analysts have an average target of \$51 with 4 buy ratings, 5 hold, and 1 sell. Bernstein upgrading to Buy in August as fears of a capex blowout have been alleviated and the 5G rollout can be completed without a substantial ramp up in total annual capex. Barron's positive on 12-20 citing valuation and their exposure to emerging trends in China.

### Hawk Vision:



**Hawk's Perspective:** CHL is in a Telecom group we generally look to for yield investments and not for option trades, so as a longer-term holding for value/yield it looks interesting down at these levels versus the \$40 level.

**Confidence Ranking:** \$\$



## China Mobile Unusual Calls Bought as Shares Base

**Ticker/Price:** HLF (\$46.40)

### Analysis:

**Herbalife (HLF)** with 2,000 May \$47.50 calls bought today \$3.00 to \$3.20 to open and follows buyers on Friday of 1,250 February \$45 calls. HLF also has 1,500 February \$37.50 calls in OI from August and some small, very low delta put buys in December. The company will be at CAGNY in mid-February and also likely has earnings around 2-18. Shares are down 1.5% today on the China scare with about one-third of their revenue in the country but back to the 50-MA and multi-month support here they've bounced. HLF is also testing the November/December value-area high and a move higher targets \$51/\$52 on a breakout with MACD and RSI both supportive of a run. The \$6.87B company trades 15.2X earnings, 1.4X sales, and 9.5X cash with accelerating top and bottom line projections out to FY21. HLF has emerged enters 2020 with its SEC settlement issues behind them and a new CEO in place who is looking to rehab the image of the company as one positioned well to take advantage of growing themes in CPG like weight management, health and wellness, and nutrition. They reported strong volumes in October and notable improvement in Asia, North America, and EMEA. HLF sees a big opportunity in India where the freelance/gig market is expected to grow by \$20B to \$30B by 2025 and supported by government efforts to grow small business. Analysts have an average target for shares of \$41.50 with 4 buy and 2 hold. Citi with a Buy rating and \$55 PT on 12-4 while Stifel positive in October expecting China results to be "less bad" in 2020 as they start to lap some tough comps from the regulatory issues in 2019. Pivotal with a \$65 PT noting that China has not been a problem of HLF's making and they continue to guide well in the US and abroad. Short interest is 3.4% -- the lowest since 2012 -- and down sharply from mid-2017 when it was near 30%. Hedge fund ownership rose 3% in Q3 with Carl Icahn adding again and now with 35.2M shares. Deccan Value also with 11.8M shares and adding 2M in Q3.

### Hawk Vision:



**Hawk's Perspective:** HLF has a nice pattern to trade against the lows from this morning that held the 50 MA, and remains an interesting opportunity on Health & Wellness as well as the Icahn stake.

**Confidence Ranking:** \$\$



## Unusual Bullish Action in Potential Bottoming GrafTech

**Ticker/Price:** EAF (\$11.75)

### Analysis:

**GrafTech (EAF)** with 2,285 April \$15 calls bought for \$0.35 with IV perking up, name that saw some Feb. \$12.50 puts sold to open on Friday over 9000X and a bunch of bullish January open interest recently exercised long stock with short puts ITM. EAF shares are building a long weekly basing pattern, an inverse head and shoulders look, and a move above \$14.50 can target a run to \$19. The \$3.5B company develops graphite and carbon based products and screened well in the annual outlook among peers. Shares trade 6.9X EV/EBITDA and with a 20% FCF yield and 2.83% dividend yield. Forecasts are calling for revenues, EPS and EBITDA to remain under pressure in FY20 after declining in FY19. EAF is a leader in Graphite Electrodes which are highly engineered and mission critical in the steelmaking process with healthy consumption trends. EV battery demand has caused tightness in the petroleum needle coke market, its primary raw material but has a wholly owned Seadrift facility that generates 2/3 of its needs at low costs. Analysts have an average target of \$14.70 and short interest is high at 18.8% of the float. BMO cut shares to Perform on 12/17 noting the majority shareholder overhang on shares with an inventory overhang likely lasting into 2021. However, EAF has a four year contract lock-in allowing it to ride out electrode price volatility. Hedge Fund ownership declined modestly in Q3 filings.

### Hawk Vision:



**Hawk's Perspective:** EAF is an interesting name though obviously struggling fundamentals in a tough group. I like the longer term potential on this bottoming pattern playing out as a small speculative own.

**Confidence Ranking:** \$\$



## Johnson Controls Unusual OTM Call Buyer

**Ticker/Price:** JCI (\$40.95)

### Analysis:

**Johnson Controls (JCI)** with near 14,000 March \$43 calls opening today around \$0.45/\$0.50 and follows 4,650 February \$42 calls bought last week. JCI shares traded well in 2019 up over 50% and pulling back to the 23.6% Fibonacci as well as the rising 200-MA. A move out of a bull wedge above \$41.50 targets the VPOC from October/November around \$42.75 while longer-term has room to \$48. The \$32.2B company trades 14.24X earnings and 1.3X sales with a 2.54% yield and low-teens EPS growth. JCI sees 3-4% revenue growth in 2021. The company is coming off a multi-year portfolio shift with the Adient (ADNT) spin in 2016 and last year's \$13.2B sale of their automotive battery business. The moves have made JCI a pure play on HVAC, fire protection, and security services with a better balance sheet (debt down \$3.7B in 2019), more flexibility to reinvest capital (likely to target tack-on deals), and buyback stock (over \$6B in 2019). They saw 5% growth in field orders as well in 2019 with a backlog near \$9B and strong visibility into 2020. Analysts have an average target for shares of \$41 with 4 buy ratings, 3 hold, and 2 sell. Wolfe Research upgrading to Buy on 1-9 while CSFB upgrading to Outperform on 1-6 seeing 2020 guidance as achievable with upside driven by margin expansion. The firm thinks JCI remains well positioned in HVAC that is a 'hot' sector for investors given the pending IR/GDI deal and Carrier spinoff. Short interest is 1.8%. Barrow Hanley remains a top holder with over 31.7M shares while the last notable insider buy was in August 2019 around current levels when a director bought \$257k in stock at \$41.50.

### Hawk Vision:



**Hawk's Perspective:** JCI is a bit of a forgotten name and not quite the quality as many of its large cap peers we favor. With that said, shares are cheap, and have an easy low-risk stop near-by at recent lows, while it could be a buyer of Nortek business to strengthen the HVAC portfolio, a potential catalyst.

**Confidence Ranking:** \$\$

# ***Additional Options Flow***

## **Market/ETFs**

**Gold (GLD)** with 3500 June \$147 calls bought \$4.20 offer

**NASDAQ (QQQ)** seeing 10,000 December \$223 puts open off the opening bell this morning around \$14.10 for \$14M as we near the \$224 target

**Russell (IWM)** with the June \$164 / September \$154 put spread bought 3500X. **IWM** trading 6000 March \$166 synthetic long positions today for \$2.05 debit. **IWM** also with a stock replacement buying 7500 June \$170 calls for \$5.40 offer

**High Yield (HYG)** rolling over a but today under 8 MA and 20,000 June \$88/\$82 put spreads opening

**Energy (XLE)** lows of the day but since midday seeing 7500 August \$59 calls open near \$2.83

**China (FXI)** large opening trade for 12,500 September \$43 puts \$2.50, but stock-tied

## **Consumer Discretionary/Services**

**Planet Fitness (PLNT)** with 1,100 February \$80 calls opening \$2.20 to \$2.75 this morning

**Starbucks (SBUX)** buyer 650 Feb. 7th (W) \$91 calls \$3.45 to \$3.55

**Las Vegas Sands (LVS)** buyers of 3,000 May \$70 calls for \$4.20 to \$4.70 into weakness on the China virus scare today. **LVS** also seeing 4500 March \$77.50 calls sold to open for \$0.78 to \$0.77. **LVS** also seeing 3,950 March \$70 calls bought \$3.25 to \$3.30

**Wynn (WYNN)** now seeing 5500 September \$150 calls bought \$14.10 to open today into weakness, similar to **LVS**. **WYNN** also 1000 Feb. 7th (W) \$140 puts bought \$3.95 to \$4.05 near-term positioning. **WYNN** now with 3250 March \$140 calls bought for \$8.90, some Feb. \$135 calls rolling

**China Lodging (HTHT)** with 650 February \$35 puts bought here up to \$2.20, another China virus scare play

**Comcast (CMCSA)** buyer 3000 February \$48 calls \$0.66 to \$0.67 to open into earnings

**Melco (MLCO)** with 5500 March \$23 calls bought \$1.35 to \$1.50 into weakness

**Macy's (M)** with 8000 Feb 7th (W) \$18 calls bought \$0.55 to \$0.58 into weakness today. **M** opening sale 1860 Jan. 2022 \$13 puts for \$2.20

**Int'l Gaming Tech (IGT)** with 6500 March \$16 calls sold to open \$0.35

**Perdoceo Education (PRDO)**, the former CECO, with another 400 ITM November \$15 calls bought today for \$5.10 to \$5.20, looks to be adding to 500 in OI with shares flagging above the 200-MA after a strong run. The \$1.3B company trades 13.14X earnings and 2.12X sales with a focus on online and campus-based post-secondary education in the US.

**Brinker (EAT)** with 775 July \$45 ITM puts sold to open \$4.60 to \$4.40

**Charter (CHTR)** climbing with 500 March \$510 calls bought \$14.60 to \$15.10

**G-III Apparel (GIII)** with 1175 February \$30 puts sold to open today for \$1.30 to \$1.15

**National Vision (EYE)** buyer of 1,000 February \$35 calls for \$1.29 with shares breaking out of a bull flag

## **Consumer Goods**

**Hershey (HSY)** with 1500 weekly \$150 calls with opening buys his morning \$1.85 to \$2.02

**Peloton (PTON)** strong this morning and the March \$38/\$46 call spread bought 1,250X2,500 to open for a small net debit, earnings in early Feb

**Yeti (YETI)** strong today but seeing 3,350 February \$36 puts bought to open from \$2.85 to \$3.10. **YETI** also seeing 2,500 February \$30 puts sold to open to buy the \$38/\$45 call spread for \$0.94 net debit. **YETI** also seeing 2,000 February 7th (W) \$34 calls roll up to the \$38 strike. **YETI** 2000 Mar \$35 puts bought tied to stock

**Colgate (CL)** buyers active this morning for 1300 August \$75 calls with the recent bullish activity in May

**United Natural (UNFI)** with 1,500 May \$7.50 puts bought for \$1.03 as some \$10 puts roll down into weakness

**Altria (MO)** with 3000 March \$47.5 ITM calls bought \$4.10 offer here with shares rising as the market dips midday, also 3000 January 2021 \$52.5 calls being sold, potential adjustments

**SYSCO (SYY)** buyer 500 February \$83 puts for \$1.95 offer

**B&G Foods (BGS)** with 7,500 March \$15 puts bought for \$0.65, some February puts look to be adjusting

**Sanderson Farms (SAFM)** buyers today of 500 February \$150 puts from \$3.90 to \$5.40 in smaller lots

**Tyson (TSN)** seeing July \$100/\$85 bull risk reversals open today at a large credit

### Energy

**Continental (CLR)** with 1200 February \$31 puts sold to open \$1.10 to \$1.05, exploring asset sales including a potential \$1B deal for their water business

**Total SA (TOT)** with 1200 March \$55 puts being sold to open down to \$2.35

**Antero (AR)** with 11,650 March \$2 puts bought for \$0.25 today as shares move under recent support and the 50-day

**Conoco Philips (COP)** with 1,150 August \$75 OTM calls bought up to \$1.15 to open

**Plains America (PAA)** with 7000 February \$18 puts being sold to open \$0.40, also buyers of 7000 Feb \$20 calls at \$0.15

**FMC Tech (FTI)** with 5000 April \$21 calls sold to buy the \$19 puts, earnings 2-26, and follows the **HAL** Conference Call

**EOG Resources (EOG)** buyer of the July \$85/\$100 call ratio spread 2000X4000 at \$3.20 debit

**Solar Edge (SEDG)** breaking out today and 1200 May \$110 calls being bought \$12 to \$12.50

**Schlumberger (SLB)** opening sale 2000 August \$32.50 puts for \$1.50

**Marathon Petro (MPC)** with 5000 April \$57.5 calls bought \$2.56, look to adjust the \$62.5 calls

### Financials

**Citi (C)** buyer 4500 Mar \$82.5 calls at \$1.45 offer

**Goldman (GS)** with 1000 March \$250 calls bought \$6.60 to \$6.85 this morning

**Bank of America (BAC)** 1,400 August \$33 calls opening for \$2.98, rolling some May calls up and out with shares back near the 50-MA, nice flag forming after a strong run

**Visa (V)** with 2500 Jan. 31st (W) \$205 calls opening near \$3.50, earnings 1-30

**Western Union (WU)** buyers coming in for 860 August \$28 puts \$2.15 offer

**Zillow (Z)** spreads buying 1300 February \$49.50 calls and selling 2600 of the May \$60 calls

**Paychex (PAYX)** with 1000 March \$90 calls bought this morning from \$0.90 to \$1.10 with shares breaking out of a monthly bull flag

**Chubb (CB)** opening sale 1870 February \$145 puts for \$0.80

**Ally Financial (ALLY)** buyer 1150 January 2021 \$30 calls \$3.40 to \$3.50 offers, earnings 1-22

**Bank of NY (BK)** with 5,800 February 7th (W) \$46.50 calls being bought \$1.00 to \$1.03 into weakness, upgraded to Outperform at CSFB and upgraded to Buy at Citi this morning

### Healthcare

**BioHaven (BHVN)** with 1,000 February \$65 calls bought for \$3.80 and spread with a sale of the March \$75 calls for \$2.70

**Stericycle (SRCL)** with 1500 March \$60 puts opening \$2.90 o \$3.10, also some small May \$60 puts bought

**J&J (JNJ)** into earnings this week with 1450 February \$146 ITM calls bought \$5.31 to \$5.50 to open

**BloMarin (BMRN)** with 1400 March \$75 puts opening \$1 to \$1.05

**Amarin (AMRN)** complex spread sold 3000 February \$23 calls, sold 3000 March \$20/\$18 bull put spreads to open, and bought 3000 June \$30 calls

**Alexion (ALXN)** with 1000 June/September \$140 OTM call calendar spreads opening for \$2.55

**Sage Therapeutics (SAGE)** with 2,000 March \$85 calls sold from \$4.40 to \$4.00 to open today

**Guardant Health (GH)** with 500 March \$95/\$70 strangles sold for \$5.80

**Global Blood (GBT)** with 500 February / March \$80 put calendar spreads opening for \$2.70

**Sarepta (SRPT)** seeing spreads sell 725 March \$115 puts to buy the \$130/\$150 call spreads

**Abbott Labs (ABT)** earnings tomorrow morning and 2,380 May \$80 puts sold to open for \$1.08 to \$1.05, weak history but has bounced back well and trading at 5-year highs. **ABT** also buyers here 2000 Feb \$93.50 calls into earnings

**Vanda Pharma (VNDA)** with 1,000 March \$16 calls bought \$1.10 to open today as IV climbs, expecting an sNDA filing in Q1 for HETLIOZ and also has Phase 3 data in atopic dermatitis due as well

**Cerner (CERN)** with 400 June \$77.50 calls bought to open \$3.40 this morning

**Mylan (MYL)** opening sale 2000 July \$20 puts \$1.58

**Eli Lilly (LLY)** buyer of 1300 June \$125 puts to open \$2.26

**Endo Pharma (ENDP)** with 4250 March \$7 calls opening \$0.75 to \$0.80

**Penumbra (PEN)** strong med-tech name today with unusual 500 February \$185 far OTM calls bought for \$2

**Bristol Myers (BMY)** with 8000 May \$65 calls opening \$4.41 today, adjusting up and out of the February \$62.50 calls into strength

**Arena Pharma (ARNA)** into weakness with 500 December \$50 calls opening \$7 to \$7.50 this morning

**GW Pharma (GWPH)** with 300 ITM January \$145 puts sold to open \$38.10

**Walgreen's (WBA)** spread sells 3210 July \$55 calls to buy the \$50 puts at a \$0.64 credit, may be protective

### Industrials

**Lennar (LEN)** buyer 1300 February \$62.50 puts \$1.15 to \$1.20

**Polaris (PII)** buyer of 1,000 February \$90 puts for \$3.30 into 1-28 earnings

**Tesla (TSLA)** buyers active all morning for 3500 February \$600 calls in size lots

**DXC Tech (DXC)** with 700 February \$34 calls bought \$3.00 to \$3.20 to open into earnings on 2-6

**Jacobs (J)** with 2,000 February \$90 puts bought for \$1.45, adjusting back the \$85 puts into 2-4 earnings



**Aecom (ACM)** fading with 1,000 February \$50 puts bought for \$1.70 to \$1.75 into 2-3 earnings

**AerCap (AER)** trade sold 2000 February \$62.5 calls to buy 2000 of the \$60 puts

**Waste Management (WM)** with 500 July \$115 puts sold to open for \$3 today

**Virgin Galactic (SPCE)** big run continues and seeing a spread today sell 2000 July \$15/\$10 put spreads to buy the \$16/\$25 call spreads

**Canadian Pacific (CP)** with 250 June \$260 puts ITM sold to open for \$12.20

**Hub Group (HUBG)** with 2000 February \$55 calls being sold to open down to \$1.65 with peers reporting weak numbers

**Caterpillar (CAT)** buyer of 1000 June \$130 puts today for \$3.35, tied to long stock

**Hertz (HTZ)** opening sale 1750 Mar. \$19 ITM puts \$3.10 bid

**3M Co (MMM)** with 5,000 March \$190 calls sold to open down to \$2.09 today. **MMM** also seeing 1850 Jan. 31st (W) \$182.50 calls bought to open

**Kirby (KEX)** protective spread sells 2,500 February \$90 calls to buy the \$85/\$80 put spread into 1-30 earnings

### Materials

**Pan American Silver (PAAS)** with 3350 February \$21 puts sold to open \$0.85 to \$0.75, popular approach in the name lately

**Eastman Chemical (EMN)** with 1700 March \$75/\$70 put spreads opening this morning, a group seeing a lot of earnings headwinds

**Masco (MAS)** seeing 4,000 February \$47 puts open for \$0.84 as the \$46 puts bought in early January roll back

**Newmont Mining (NEM)** stock collar with 1000 January 2022 \$50/\$40

**GrafTech (EAF)** also with 3000 April \$15 calls bought \$0.30 to \$0.40

**Corteva (CTVA)** more bullish action today with 425 Jan. 2022 \$28 calls bought \$5.40 to open, the Jan. 2021 \$25 puts sold 400X for \$2.25 and Jan. 2022 \$25 calls opening 350X

**Alcoa (AA)** with more than 6000 Jan. 31st (W) \$17.50 puts opening this afternoon as IV rises

### Tech and Telecom

**Salesforce (CRM)** aggressive early buys of 3000 February \$190 calls up to \$1.60 from \$1.24

**Oracle (ORCL)** with 5,000 June \$65 OTM calls bought \$0.33 to \$0.34

**Etsy (ETSY)** with 800 June \$55 calls bought for \$4.45 and spread with 1,120 of the \$65 calls sold for \$1.75

**Avaya (AVYA)** higher on upgrade and 1500 January \$12.50 calls bought

**Medallia (MDLA)** with 11,850 February \$25 puts sold to open from \$0.50 to \$0.41

**Amazon (AMZN)** with 1325 Jan. 31st (W) \$1862.5 puts opening this morning near \$42.50 for over \$5.5M, positioning for 1-30 earnings

**Autodesk (ADSK)** with 1,500 February 28th (W) \$205 calls sold for \$4.20 in a buy-write with stock

**Roku (ROKU)** with 1400 Jan. 31st (W) \$136 puts seeing opening buys \$5 to \$5.15

**Uber (UBER)** seeing buys in size lots 4750 Feb. \$39.50 calls \$0.84 offer, earnings 2-6. **UBER** highs of the day with 2850 of next week's \$37.50 calls bought now up to \$0.99

**Applied Materials (AMAT)** near 4,000 January 31st (W) \$64 calls bought up to \$1.35, nearing a breakout to new 5-year highs

**NVIDIA (NVDA)** with 2500 February \$255 calls active with buyers as other strike adjust

**Dropbox (DBX)** with 1230 February \$18 puts bought \$1.00 to \$1.05 today into weakness, shares off by 2% and unable to press through the 50-MA

**Skyworks (SWKS)** with 2,000 March \$125 calls opening for \$6.95 as the Feb. \$115 calls roll ahead of 1-23 earnings

**Zen-Desk (ZEN)** with 1000 March \$90 calls opening as February \$87.5 adjust

**Bilibili (BILI)** consolidating nicely and 1000 March \$25 calls bought here \$1.35 to \$1.40

**IBM (IBM)** buyers of 6500 weekly \$144/\$148 call spreads into earnings \$0.64. **IBM** also seeing 6000 March \$145 calls bought \$1.50 to \$1.54

**NXP Semi (NXPI)** with 1750 April \$135/\$130 strangles sold to open for \$11.57

**Go-Daddy (GDDY)** with 900 March \$75 calls bought today up to \$2.85

**AudioCodes (AUDC)** with 400 September \$22.50 puts sold to buy the \$30/\$40 call spread, common structure seen in the name for months now

**Lyft (LYFT)** with 2450 Feb. 7th (W) \$48 calls bought to open up to \$1.80, earnings 2-11 but UBER reports 2-6

**IMPINJ (PI)** with a buyer of 500 December 2020 \$35 calls for \$5.34, closing 500 July \$30 calls bought in December

**Slack (WORK)** with 5000 February \$23 calls sold to open as well as 1000 March \$24 calls sold to open, traders seeing limited upside for shares

**TI (TXN)** with 2 500 March \$140 calls sold to open down to \$1.59. **TXN** also a block of 1500 June \$130 puts opening today \$7.57 into earnings tomorrow night, coming off an ugly report last quarter

**Shopify (SHOP)** 340 Jan. 2021 \$580 OTM calls bought \$48.20 to \$48.40 today for over \$1.6M

**Mercado-Libre (MELI)** call activity picking up midday with 585 of the Feb. 14th (W) \$700 calls opening and 815 March \$700 calls opening

**Sprint (S)** with 50,000 May \$6/\$7 call spreads bought for \$0.39, expecting a ruling from their T-Mobile / AG arguments soon

**Western Digital (WDC)** stock replacement sold 1250 January 2021 \$65 puts to open for \$8.90 as bullish flow continues, positive on the name for the year on the recovering Memory cycle

**Twilio (TWLO)** coiled under the 200 MA and midday action sending IV higher with 2000 weekly \$120 calls being bought \$1.75 to \$1.85. **TWLO** also with 500 each of the July \$110 and \$100 puts sold to open today \$9.225 and \$5.55 respectively

**Entegris (ENTG)** strong Semi-Equipment name with 2000 August \$65 calls bought here \$2.15 offer

**Domo (DOMO)** 750 Feb \$25 ITM puts sold to open \$1.90, shares coiling under the 200 MA

**Facebook (FB)** buyer of 2500 January 2021 \$255 calls for \$12.60 in a stock replacement, \$3.2M

**HP (HPQ)** sale of 7700 August \$22/\$20 strangles for \$2.27 against long stock with the **XRX** takeover offer pending

### Utility

**Southern (SO)** with 8000 Feb. 28th (W) \$68 calls opening \$0.97 as the \$67 calls adjust

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**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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