



## MARKET RECAP REPORT 1/8/2021

### Sector Leaders

Autos

Utilities

Rails

### Stock Gainers

BIDU 14%

FUTU 14%

PLUG 11.5%

EXPI 9.9%

TRIP 9.9%

KC 9.2%

### Volatility Gainers

- DDD
- CLVS
- IDEX
- PLUG
- BB
- TSLA

### High Call Volume

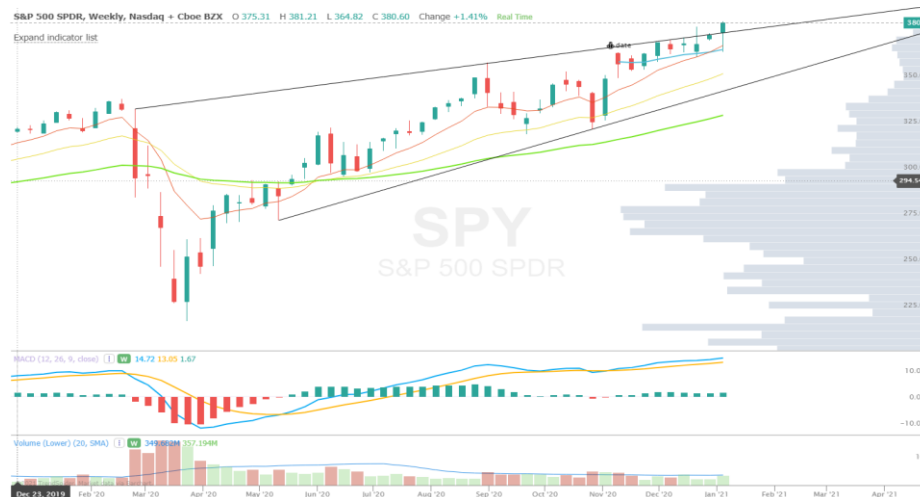
- SRPT
- CMC
- TRIT
- DDD
- ACIA
- MNST

### Bullish Options

- MGM
- BHC
- ETSY
- BEKE
- CRM
- PENN
- XRAY
- ALVR
- AVYA
- AMAT
- EBAY
- FANG

**Market Review:** Stocks maintained at record highs overnight into the Jobs Report while we saw some details come out about Biden's initial plans with stimulus and infrastructure. The December Jobs Report came in weaker than forecast though average hourly earnings very strong. Joe Biden spoke in the afternoon and reiterated a need for more stimulus aid after the weak jobs report. He said next week he'll have an economic package as well as vaccine distribution plan ready so the administration can hit the ground running on Jan. 20. Breadth was fairly quiet for much of the day although we did dip back to 3780 mid-day after some comments from Senate Democrat Manchin about stimulus checks. The S&P remains in breakout mode above 3755 but perhaps more caution warranted into OpEx week and the start of a busy earnings season.

### S&P Chart:



Resistance	Support
3,855	3,610
4,000	3,520
4,140	3,400

**Options Action Trends:** Metals names saw a lot of bullish flow today with **AU**, **EGO**, **NEM** all in focus. In the afternoon, some unusual sized trades in small-cap bios **ALVR**, **ADCT**, and **RVMD** ahead of some key conferences.

**What's On Tap:** The main focus turns back to earnings season with the banks kicking things off on Friday (Citi, JPM, WFC) while conferences of note include ICR for retail, CES for tech, and JPM for healthcare Elsewhere, Powell will be on a webinar on Thursday at Princeton, China has Dec. import/export data on Thursday. Other earnings of note to watch include ACI, KBH, INFY, BLK.

### Trade Tracker Portfolio Changes:

- 1) **Spotlight:** Long **FB** February \$280 Calls \$8
- 2) Closed **SE** Call Spreads \$9.30 (Opened \$6)

### Sector Laggards

Silver

Homebuilders

Packaging

### Stock Losers

SRPT -50%

CDE -13.5%

HL -11.5%

CLNE -9.2%

TPH -9%

JKS -8%

### Volatility Losers

- SCOR
- SRPT
- GPRO
- HUYA
- RIG
- SLDB

### High Put Volume

- VECO
- ACIA
- CSTM
- AVYA
- HUN
- BLMN

### Bearish Options

- LEAF
- DISCA
- ATNX
- TKR
- BBBY
- BAC
- HUM
- XNCR
- FOXA
- LOGI
- ZNGA
- CONE



## FEATURED OPTIONS RADAR REPORT



### Unusual Call Buying in Commvault as Company Transforms into Relevant Cloud Player

**Ticker/Price:** CVLT (\$57.35)

#### Analysis:

**Commvault (CVLT)** unusual buy 500 February \$57.50 calls \$3.70 offer which followed 500 February \$52.5 calls bought on 1/6 and has unusual 2300 January \$57.50 calls sitting in open interest. CVLT moved out of a two-year downtrend in November and currently flagging under a key volume node and above \$58.5 can run back to \$70 highs. CVLT is a provider of an enterprise data platform that enables its customers to cost-effectively protect and manage their data throughout its lifecycle. CVLT is under transformation with 7 new independent directors and a new CEO reinvigorating the company. CVLT is shifting to a subscription model and seen a 65% ACV CAGR since 2018. CVLT's newly introduced solutions are helping customers move to the cloud faster, its Metallic SaaS offerings has seen strong customer growth with its ties to Office 365. CVLT also introduced DevOps-oriented multi-cloud container data management and expanded data protection capabilities with Kubernetes workloads. CVLT has a \$2.65B market cap and trades 28X Earnings and 3.3X EV/Sales with revenues seen accelerating growth the next few quarters. Analysts have an average target of \$52.50 and short interest is 4% of the float. Wells Fargo on 10/27 noting improving execution and sees shares undervalued with a number of catalysts positioning it as a play on hybrid data management. Starboard Value holds a \$200M position and Elliott also involved.

#### Hawk Vision:



**Hawk's Perspective:** CVLT action is highly unusual and the more I dig into the story the more I like it, a name I have always seen as a M&A target but could just be a re-rate play on new product cycles and the subscription transformation.

**Confidence Ranking:** \$\$



## FEATURED OPTIONS RADAR REPORT



### Mastercard Spreads Position for New Highs as Consumer Spending Ramps

**Ticker/Price:** MA \$350

#### Analysis:

**Mastercard (MA)** large spread on 1/7 sold the February \$320 puts 2,250X for \$3.75 to buy the \$360/\$390 call spread 4500X for \$8.18 and later bull spreads in April as well selling the \$315 puts to buy \$365/\$395 call spreads 1650X. MA had buyers in the April \$350 calls over 5,000X on 12/29 and also 15,000 January 2022 \$350 calls on 11/30 and 12/23, over \$50M. MA shares are forming a small bull flag above the 8-EMA and recent breakout area with a big weekly level above at \$355. A move higher has a longer-term measured target of \$400. The \$347.4B company trades 42.37X earnings, 22X sales, and 32.7X cash with a small yield. MA is a strong re-opening play as consumer spending expected to accelerate in 2021 and shift away from the historic levels of savings seen last year during the pandemic. MA has been accelerating their digital initiatives including a deal for Finicity which expands their scale in data aggregation. Analysts have an average target for shares of \$350 with a Street High \$415 from Truist. BAML upgrading to Buy on 1/6 citing their exposure to macro and consumer spending recovery as vaccine distribution accelerates. Wells Fargo with a \$400 PT noting that they like card issuers in 2021 as the firm expects significant pent up travel and entertainment demand to drive spend in the U.S. in mid-to-late 2021 and global travel late 2021/early 2022. Short interest is less than 1%. Hedge fund ownership fell 4.5% in Q3, Egerton a buyer of 1M shares. MA will report around 1-28.

#### Hawk Vision:



**Hawk's Perspective:** MA sets up well and a best-of-breed type play with their digital investments, the recent base breakout gives a nice level to lean against for a run to \$365

**Confidence Ranking:** \$\$



## FEATURED OPTIONS RADAR REPORT



### Pfizer Bulls Eye Base Breakout

**Ticker/Price:** PFE \$37

#### Analysis:

**Pfizer (PFE)** narrow base forming and buyers active on 1/7 for the June \$35 ITM calls 4000X at \$3.60 and this follows the January 2022 \$35 puts sold to open over 11,000 in mid-December and buyers in the Sept. 2022 \$37 calls. Shares have pulled back to the low-end of a big volume node from 2020 and carving out a small base with a move above \$37.35 key for a run higher. The \$205.66B company trades 12.34X earnings, 4.2X sales, and 19.5X cash with a 4.2% yield. PFE recently completed their spinoff with Mylan and now focused on developing their core five products -- Vyndaqel, Ibrance, Xeljanz, Eliquis and Prevnar – with the earliest patent expirations not until 2025. PFE has first-movers advantage with their COVID vaccine and expects to hit their target of 1B+ doses this year while they have a lot of room to invest in their pipeline. Analysts have an average target for shares of \$40 with a Street High \$53 from Cantor. RBC cutting to Neutral in December as competition in the Covid vaccine space "could catch up" in 2021. Barclays positive on 12/4 raising their PT to \$37 as they expect 1.3B doses of vaccine to be supplied in 2021. Short interest is 1.15%. Hedge fund ownership fell 1% in Q3, Sanders Capital and Diamond Hill all with sizable holdings. On 8/10, a director bought \$500,000 in stock at \$38.55, the largest open market buy in over two years. PFE will report on 2-2.

#### Hawk Vision:



**Hawk's Perspective:** PFE has drawn a lot of focus from their vaccine work over the last nine months but they've got a solid core franchise and the Upjohn deal gives them flexibility to go out and make some significant pipeline enhancements in 2021

**Confidence Ranking:** \$\$

## **Additional Options Flow**

### **Market/ETFs**

**Gold (GLD)** stock replacement buys 4,300 June 2022 \$175 calls for \$18.40. **GLD** the June 2022 \$175 calls bought earlier also tied to 4,300 June \$160 puts sold to open for \$10.45

**ARK Innovation (ARKK)** with buyers of the February \$130.96 puts for \$4.82, over 2000X, as the January puts adjust

**Brazil (EWZ)** spread this morning sells the February \$32 puts to buy the \$38/\$41 call spread 32.650X

**Gold Miners (GDX)** the March \$38 calls being bought over 19,500X for \$1.83 to \$1.84 and spread with the \$42 calls which may be adjusting back

**Russell Growth (IWO)** buyer of the February \$290 puts for \$7.00 to \$7.10 today, 3000X

**High-Yield Bonds (JNK)** the March \$108/\$99 put spread bought 17,130X with the \$111 calls sold for a net \$1.05

**Investment Grade Bonds (LQD)** buyer of the March \$133/\$127 put spreads' for \$0.74, 21,700X

**Biotech (XBI)** the March \$140/\$120 put spread bought 12,500X for \$4.35 this afternoon

**Materials (XLB)** the February \$77 calls bought 5000X for \$2.11 in a stock replacement

**Industrials (XLI)** the January 29th (W) \$87.50 puts bought \$1.25 to \$1.26, over 9000X

**Tech (XLK)** the March \$130 puts being bought today 2000X for \$5.75

**Retail (XRT)** buyer of the March \$65/\$55 put spread today 4000X6800

### **Consumer Goods**

**Treehouse Foods (THS)** opening sale 2500 February \$35 puts for \$0.62

**Lowe's (LOW)** seeing 975 March \$170 puts bought today for \$11.22, adjusting back the \$165 puts that opened recently in spreads

**Academy Sports (ASO)** the February \$22.50/\$25 call spread bought 1,500X3,000 today for no cost, flagging above its 21-MA

**Spectrum Brands (SPB)** buyers of the February \$90 calls or \$2.10 to \$2.15 today, 625X

**Tyson Foods (TSN)** the January 2023 \$65 puts old to open today for \$12, common strategy in the name lately

### **Consumer/Business Services**

**Discovery (DISCA)** with 1,200 February \$35 puts bought \$2.70 to \$2.75 after the large put buyers earlier this week. **DISCA** the February \$32.50/\$27.50 put spread also being bought 4000X today

**MGM** buyers of 5000 January \$31 calls here up to \$0.63

**Penn Gaming (PENN)** buyers of 3800 Jan. 29th (W) \$100 calls \$3.50 to \$3.60

**Carvana (CVNA)** large spreads in February selling \$330 calls to open and the \$230 puts to open at 4000X and 7000X

**Bloomin' Brands (BLMN)** with 5000 February \$17.50 puts sold to open for \$0.40

**VF Corp (VFC)** buyer of 800 January 22nd (W) \$85 calls for \$4.45, adjusting higher the weekly \$84 calls

**Comcast (CMCSA)** the March \$55 calls active with buyers today from \$0.98 to \$1.11, over 9400X

**Carvana (CVNA)** also with the Jan. 22nd (W) \$260 puts sold to open this afternoon 1000X for \$6.80

**I-Robot (IRBT)** buyers of the February \$80 calls 1450X up to \$9.75 and follows the size June call buys yesterday

**Nielsen (NLSN)** with 7000 March \$21 puts bought today for \$1.76, adjusting the February \$19 puts from 12/9

### Energy

**Bloom Energy (BE)** the February \$45 calls being bought for \$2 to \$2.10 today, 1125X

**SunPower (SPWR)** with 3000 January 2022 \$40 calls opening \$6.20 as the \$10 calls adjust up

**Switchback Energy (SBE)** with 2,450 February \$50 ITM puts sold to open today for \$15.75, stock replacements

**Diamondback Energy (FANG)** buyers of 1,000 February \$60 calls for \$4.20 to \$4.40 today

### Financials

**Leaf Group (LEAF)** the May \$6/\$4 bear risk reversal opening 5,000X at no cost

**KE Holding (BEKE)** buyer 1300 February \$70 calls to open up to \$4.30

**Mr. Cooper (COOP)** opening sale 5000 April \$35 calls for \$1.45

**Innovative Industrial (IIPR)** buyers active today for more than 1,000 April \$195 calls from \$12.60 to \$13.10, strong play on Cannabis and pulling back off of recent highs

**Fiserv (FISV)** with the June \$125 calls bought 1450X for \$5.35 today, adjusting some March \$120 calls out

**FIS (FIS)** the June \$145 calls being bought today with the \$130/\$120 bull put spread, 1000X for a net \$4.04

**Bank of America (BAC)** buyers of more than 4,000 March \$33 puts for \$2.27 to \$2.29 ahead of earnings

**Synchrony (SYF)** the February \$35 puts bought 3000X for \$1.70, tied to stock

**Lemonade (LMND)** the February \$155 puts bought 2,000X for \$29.20 today, adjusting back the \$120 puts from late December

**Invesco (IVZ)** the July \$15 calls being bought 1500X for \$4.20, adjusting some January calls and Trian involved as an activist pushing for them to look at deals

### Healthcare

**Gilead (GILD)** the January 29th (W) \$65 calls being bought 2,500X up to \$1.18 today

**Elanco (ELAN)** opening sale 3250 February \$28 puts \$0.55

**Bausch (BHC)** buyer 2000 January 2022 \$18 calls \$7.05 as Jan. 2021 calls adjust. **BHC** now with 2,000 February \$25 puts sold to open for \$2.49, adjusting the \$22 puts back in strikes

**Sarepta (SRPT)** with 2000 February \$95/\$75 strangles sold to open for \$9

**Dentsply (XRAY)** buyers 1850 April \$60 calls \$3.20 to \$3.95 to open, strong since its key deal for **Byte**

**Beam Therapeutics (BEAM)** seeing 1,500 May \$115 calls sold to open for \$30.20, adjusting the January \$85 short calls which likely a buy-write

**Tandem Diabetes (TNDM)** the January \$99 calls opening 700X earlier with buyers up to \$3.10

**United Health (UNH)** the February \$360 calls being bought for \$15.15 to open, over 1250X as some January positions adjust

**Allovir (ALVR)** the April \$45 calls being bought 2,000X for \$6.40 to open, a \$2.79B biotech focused on cell therapies and virus-specific T-cells

**ADC Therapeutics (ADCT)** with 3,000 July \$35 calls bought for \$6.70 this afternoon to open, unusual size in the name. The \$2.4B oncology-focused company develops novel PBD-based antibody drug conjugates. They have a number programs ongoing in across large B-cell lymphoma, non-Hodgkin lymphoma, and various solid tumors

**Revolution Medicines (RVMD)** large buyer of 1,500 June \$45 calls for \$8.20, a \$2.84B biotech focused on RAS and mTOR inhibitors in oncology

**Kalvista (KALV)** buyer of the February \$15/\$5 put spread 1250X for \$5.19

**Teledoc (TDOC)** the July \$190 puts being sold to open today 1100X for \$17.62 to buy the \$220 calls 550X for \$40.45

**Iqvia (IQV)** IV fading this afternoon with 1,300 February \$190 calls sold to open between \$6.70 and \$7

**Iovance (IOVA)** with 2,500 June \$60 calls opening for \$4.50 today, the January \$35 and \$40 calls adjusting out

### Industrials

**DXC Tech (DXC)** with 1050 Jan. 2022 \$25 puts sold to open \$2.80 with reports of M&A earlier this week

**Delta (DAL)** the June \$34 ITM calls being bought 1000X for \$8.75 to \$8.80, adjusting some March \$30 calls up and out

**Knight (KNX)** the May \$45 calls being bought this morning 1190X from \$3.50 to \$3.60 and follows the February \$45 call buys earlier this week

**Aptiv (APTIV)** buyers opening the August OTM \$190 calls earlier for \$6.20, around 600X

**Pulte (PHM)** the February \$41 calls being bought 675X today for \$3.40

**Raytheon Technology (RTX)** buyers today of the May \$75/\$85 call spread 6000X with the \$60 puts sold to open, some January spreads adjusting

**American Air (AAL)** the May \$12 ITM calls being bought 3900X for \$4.20, some February calls adjusting

**Kandi Tech (KNDI)** buyers earlier in the March \$12 calls for \$1.28 to \$1.40, over 5250X

**IAA (IAA)** the April \$70 calls being sold 1000X for \$3.20, adjusting the Jan \$60 short calls out

### Materials

**Constellium (CSTM)** with 7000 February \$13 puts sold to open \$0.65/\$0.60 after the Feb. 5th (W) put sales this week



**Cliff Natural (CLF)** with 3850 January 2022 \$15 puts being sold to open for \$3.05 and lower

**Newmont Mining (NEM)** with 5,500 June \$55 puts sold to open for \$2.54 to \$2.45

**GMS (GMS)** with 1,000 December \$40 calls bought today between \$5.90 and \$6.40, name that has 9000 July \$35/\$45 call spreads in OI and 5000 April \$40 calls

**Pan American Silver (PAAS)** with the February \$36 puts being sold to open today between \$2.75 and \$3, around 1400X

**Anglo Gold (AU)** the February \$25 calls active here with buyers of more than 6,000 up to \$1.20

**Corteva (CTVA)** with more than 1,350 deep ITM June \$20 calls bought for \$22.80 to \$23 today

**Eldorado (EGO)** buyers active for 2,000 February \$14 calls for \$0.80 to \$0.95, adjusting some January positions

**Vale (VALE)** the February \$19/\$21 call spread bought 60,000X today as some January spreads close and adjust higher and earlier the Jan. 2022 \$30 calls bought over 3300X

### Tech and Telecom

**Snap (SNAP)** with 1,500 January 29th (W) \$54 calls bought \$2.47 with shares near a flag breakout, a positive gamma name for January OpEx. **SNAP** 7000 Jan. 22nd (W) \$50/\$48 bull put spreads opened

**Western Digital (WDC)** with 1,200 January 29th (W) \$52 calls bought \$3.25 to \$3.40 ahead of earnings

**Snowflake (SNOW)** trading its daily average of calls in fifteen minutes over 20,000X with January \$360 calls most active at 3500X seeing strong buying activity

**Salesforce (CRM)** moving and 3800 January \$225 calls hot early for short term plays

**Baidu (BIDU)** buyers of 1850 June \$270 calls \$17+

**Etsy (ETSY)** with 3000 February \$170/\$190 call spreads bought as January \$170 adjust. **ETSY** also seeing March \$200 short calls adjust to \$220 strike where 8000X are sold to open

**Trip.com (TCOM)** with 2,000 March \$32 puts sold to open for \$1.40 in a stock replacement

**Palantir (PLTR)** with 2,000 August \$20 puts being sold to open today for \$3.90 in a stock replacement, similar to the \$23 puts and \$19 puts earlier this week

**Ring Central (RNG)** spreads are selling the January 22nd (W) \$430 calls to buy the \$380/\$350 put spread 1,040X for \$4.85 debit and likely protective

**Opendoor (OPEN)** with the January \$10 ITM calls opening for \$16.96 to \$17.02 today, over 4000X, in stock replacements

**Fastly (FSLY)** buyers active for 1000 February \$95 calls this morning from \$8.05 to \$8.35

**Zynga (ZNGA)** with 13,000 January \$10 puts bought today \$0.25 to \$0.30

**Logitech (LOGI)** buyer of 4,000 March \$100 puts for \$5.10 to \$5.20, adjusting back the \$85 puts that close 5000X

**Blackberry (BB)** on the highs and the September \$8 calls being bought 2,150X today from \$1.65 to \$1.74

**Fire-Eye (FEYE)** with the February \$22 puts sold to open for \$1.58 to \$1.51, 1825X

**Zen-Desk (ZEN)** the April \$160 calls being bought today for \$9 to open, 450X



**Spotify (SPOT)** with a buyer earlier of 500 July ITM \$300 calls for \$71.10 to \$75.10

**Splunk (SPLK)** the Jan. 2023 \$110 puts being sold to open today 575X between \$12.80 and \$13.10

**Synopsys (SNPS)** the March \$250 puts being sold to open this morning for \$9.30, 400X

**Pinterest (PINS)** the Jan. 22nd (W) \$74/\$67 bull risk reversal opening 2000X

**Big Commerce (BIGC)** opening sales of 500 October \$55 puts today for \$12.55

**Lumentum (LITE)** the 6850 January 29th (W) \$113 calls are bought for \$2 as the January \$105 calls adjust , likely positioning for earnings which should be around then

**TE Connectivity (TEL)** buyer of the February \$130/\$155 call spread 500X for \$5.70

**Facebook (FB)** buyer of 4,800 Jan. 2023 ITM \$220 calls up to \$79.15 as the January \$110 calls adjust out, a \$39M position

**Pinduoduo (PDD)** the January \$180 calls being bought 2500X for \$6.70 as some positions roll up in strikes

**Taiwan Semi (TSM)** the April \$135 calls bought this morning 9,000X for \$4.20 to \$4.80

**Cloudflare (NET)** buyers today of over 5000 Jan. 29th (W) \$95 calls for \$1.10 to \$1.15, shares bouncing this week

**Applied Materials (AMAT)** the Jan. 29th (W) \$89 ITM calls bought for \$7.39, some weeklies adjusting up and out

**Avaya (AVYA)** the January 2022 \$30 calls being bought 4,000X for \$1.95 to \$2 and spread wih the sale of the July \$12.50 puts for \$0.60, shares breaking out today

**Cognizant Tech (CTSH)** the February \$80 calls bought 2,250X for \$4.20, stock replacement

### Utility

**Next-Era (NEE)** the June \$85 calls being bought 1200X today for \$3.85, follows the March \$80 call buys earlier this week. **NEE** also with 1275 February \$75 puts sold to open today around \$1 as the \$70 puts adjust back

### **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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