



Sector Leaders

Solar

Banks

Transports

Stock Gainers

- LOGI 17.5%
- PLT 11.7%
- JKS 11.2%
- CRSR 10%
- CSIQ 10.2%
- JMIA 8.5%

Volatility Gainers

- BCLI
- SRNE
- MARA
- PEIX
- DPHC
- NTGR

High Call Volume

- FLEX
- MLHR
- LOGI
- JKS
- FIS
- WGO

Bullish Options

- ERIC
- FSLR
- FLEX
- WGO
- TTWO
- PBI
- FIS
- ETSY
- NVAX
- PENN
- BHVN
- SNE

Market Review: Markets bounced overnight after hitting the 38.2% retracement at 3410 to start the week, boosted on some further optimism of fiscal stimulus, though fleeting, and more importantly strong earnings continue to come in with **P&G, Pentair, Dover, Cadence Design** strong reports and commentary out of European companies noting strength in N.A. The morning rally failed at 1-week VWAP resistance. September housing numbers came in a bit light than expected while Philly Fed came in strong. Breadth was strong the opening 90 minutes with nearly all positive TICK accumulation. There was broad strength across Solar, Energy, Banks, Transports and Housing and market breadth hit highs around Noon. Growth lagged with Biotech and Software names pulling back. The S&P worked on an inside day with the 21 day MA and 38.2% retrace holding Monday. We have a slow day for data tomorrow but earnings remain in focus with key reports in the US and Europe due.

S&P Chart:



Resistance	Support
3,500	3,420
3,600	3,375
3,725	3,310

Options Action Trends:

What's On Tap: Fed's Beige Book and EIA Data. Earnings from TSLA, VZ, ABT, TMO, NEE, CCI, CSX, LRCX, EW, CMG, LVS, XLNX, NDAQ, DFS, EFX.

Trade Tracker Portfolio Changes:

- 1) Closed **UBER** Calls \$3.40 (Opened \$3)

Sector Laggards

Software

Biotech

Defense

Stock Losers

- BCLI -28%
- DPHC -10%
- HYLN -9%
- TTCF -8.5%
- CVM -7.5%
- ALT -7.5%

Volatility Losers

- AMC
- CRON
- NNOX
- OLN
- TWNK
- LYFT

High Put Volume

- FIZZ
- ELAN
- AMX
- UBS
- IRBT
- BXP

Bearish Options

- BHC
- ZM
- FIZZ
- DDOG
- IRBT
- ORCL
- CSCO
- T
- NLSN
- SLG
- JKS
- BEKE



FEATURED OPTIONS RADAR REPORT



Novavax Option Flows Point to Potential COVID Vaccine Winner

Ticker/Price: NVAX (\$102)

Analysis:

Novavax (NVAX) a Biotech vaccine name seeing a good amount of bullish positioning the last few weeks and current notable open interest includes 900 Oct. 30th (W) \$79 ITM calls at \$2.7M, 500 Nov. 27th (W) \$77 ITM calls at \$1.5M, 1700 November \$135 OTM calls at \$1.2M, 750 November \$90 calls at \$2M, and 500 December \$100/\$120 call spreads from a trade 8/31. NVAX shares are +2460% in 2020 moving as high as \$189 and as low as \$4. Shares are currently in a tight weekly range above the 21-week moving average. The \$6.5B company forecasts a surge in revenues the next two years and is expected to file for approval of their COVID vaccine in December. NVAX already has multiple collaboration and supply agreements in place with \$2B in funding for global coronavirus vaccine programs. NVAX's NanoFlu Phase 3 achieves all primary endpoints and is expected to see a US BLA submission under accelerated approval pathway. NVAX will report Phase 2 data for the NVX-CoV 2373 program in Q4. NVAX initiated Phase 3 trials in the UK on 9/24.

Analysts have an average target of \$225 and short interest remains very high at 33% of the float. HC Wainwright estimated back in July that SARS-CoV-2 vaccine opportunity could peak at \$10B in 2023. B. Riley out on 9/8 noting NVAX a compelling buy seeing a differentiated clinical profile resulting in favorable contractual terms for NVAX. Cantor Fitzgerald on 9/3 noted the NEJM publication gave clear validation for NVAX's vaccine candidate with top-tier efficacy, and has an Overweight rating and \$211 target. HCW raised its target to \$290 in August seeing the NVAX vaccine as a leading option that could emerge with broad adoption and be highly lucrative for NVAX while it becomes a major player in vaccine development. Hedge Fund ownership rose 384% in Q2 filings, RA Capital with a near \$400M position at 7.73% of their portfolio.

Hawk Vision:



Hawk's Perspective: NVAX flows point to optimism but the high short float is a concern, so it is a speculative play while BNTX remains my favorite to emerge from the vaccine candidates.

Confidence Ranking: \$\$



FEATURED OPTIONS RADAR REPORT



Ericsson Longer-Dated Calls Buy into Earnings on Valuation, 5G Potential

Ticker/Price: ERIC (\$11.10)

Analysis:

Ericsson (ERIC) with 2500 January 2023 \$10 ITM calls being bought to open at \$3 on the open and still has 14,000 January \$10 calls bought in open interest from August trades as well as 10,000 January 2012 \$12 short puts. ERIC also has 10,000 November \$11 synthetic long positions in OI. On the chart ERIC with a nice pullback and base on the rising 21 week moving average and starting to work higher out of its base this week with room to take out the highs and hit \$15. ERIC is a 5G play and has been signing multiple contracts and sees 190M subscriptions by year-end and also been winning share from Huawei which has been under fire. ERIC will report numbers tomorrow morning and shares higher 7 of the last 10 reports including a big 13% jump last quarter. In September it announced a \$1.1B deal for networking specialist Cradlepoint which expands its 5G offerings. The \$37B company trades 16.2X Earnings, 1.43X Sales and 34.7X FCF with a 1.55% yield. ERIC forecasts see 6% revenue growth in 2020 and 2021 and EPS growth of 17% and 26% respectively, impressive for its cheap valuation. Analysts have an average target of \$12.50 and short interest minimal at 0.5% of the float. ERIC has not seen recent coverage but in July JPM noting it is positioned well for the 5G cycle with a strong product. Bloomberg reported in May that ERIC is seeking a buyer of its UC call routing unit Iconectiv that could fetch \$1.5B to \$2B.

Hawk Vision:



Hawk's Perspective: ERIC is not followed too closely and earnings tomorrow likely a positive catalyst, a name that can pay off short and long-term as a 5G play.

Confidence Ranking: \$\$



FEATURED OPTIONS RADAR REPORT



Size Call Buyers in Fidelity Info as Shares Tap 200 Day Moving Average

Ticker/Price: FIS (\$141)

Analysis:

Fidelity National (FIS) buyers of 1,500 January \$145 calls from \$6.20 to \$6.50 this morning and now volume up over 2,600 with buyers at \$6.80. FIS has minimal open interest but did have a buyer in the January \$150 calls on 8/25 and over 1,650 remain. Shares are pulling back to the 200-MA and trend support around \$140. A move back above the 20-day can spark a run to \$160 and then measured move out to new highs. The \$86.6B company trades 20.9X earnings, 7.1X sales, and 22.3X cash with a 1% yield and high-teens growth. FIS raised their synergy estimates last quarter from the massive WorldPay deal and likely sees upside again next week when they report as cross-sell opportunities continue to emerge. FIS has done a strong job of cutting costs and reducing their overall footprint while investing in automation and moving more operations to the cloud which is helping expand margins. FIS has seen tailwinds in 2020 from the pandemic as consumer behaviors are moving away from cash and into more digital payments and banking which is giving momentum to FIS's next-gen tech and also driving adoption of their services by all sized businesses. They reported 40% revenue growth in Q2 and expansion into Latin America (announced this morning) should continue to position them for further growth in 2021 and beyond. FIS laid out a decade-long plan for growth after the merger and sees WorldPay as a big driver as they launch new platforms like NAP, Access Worldpay, build out e-commerce capabilities, and fraud solutions. Analysts have an average target for shares of \$161.25 with a Street High \$174 at Stephens. JP Morgan positive this morning citing checks that suggest U.S. quarter-to-date volume trends are coming in better than expected. Hedge fund ownership fell 3% in Q2. Viking Global a top 5 holder with 6.7M shares. Short interest is 1.2%.

Hawk Vision:



Hawk's Perspective: FIS is a quality payments play and pulled back to the 200 MA for an ideal reward/risk entry spot.

Confidence Ranking: \$\$



FEATURED OPTIONS RADAR REPORT



Sony Bulls Position into Weakness into Gaming Cycle

Ticker/Price: SNE (\$75.7)

Analysis:

Sony Corp (SNE) bullish spread today sold 2,000 March \$60 puts to buy the \$75/\$90 call spread 2,000X2,500 into earnings next week and later 5000 January \$67.50 puts sold to buy the \$77.50/\$82.50 call spread. SNE recently had the January \$65/\$85 call spread bought 1200X while the April \$110 OTM calls and December \$90 calls also active. The Jan. \$80/\$100 call spread remains in OI over 15,000X from May. SNE has been a strong name for much of the year and pulled back to the 38.2% Fib of the recent rally from the March lows. It's breaking back above its 8- and 21-EMA today and out of a downtrend which has room back to \$82.50 from July, both MACD and RSI turning bullish and plenty of room to run. The \$93.35B company trades 16.5X earnings, 1.2X sales and 10.5X FCF with a lot of cash on the balance sheet. SNE has been a reformation project over the last 2-3 years and better-focused now between tech components and entertainment including equity investments in Bilibili (BILI) and Epic Games. They have seen strong demand in their gaming business during the pandemic and continue to see recent NPD data supportive of further growth ahead of their next-gen PS5 launch this Winter. In September, reports indicated that they had internally cut their output forecast for the unit this year due to production issues and earnings next week the first time to get updated figures on demand, a potential positive catalyst. Analysts have an average target for shares of \$96. Citi was positive on 10/9 noting that they expect bad news in the semi space to be fully baked into estimates. Baird positive on 9/23 as early demand for the PS5 has been strong and likely supply-constrained through year-end. Short interest is minimal and hedge fund ownership up 7.35% last quarter, Soroban a buyer of both stock and calls while activist Third Point exited their position.

Hawk Vision:



Hawk's Perspective: SNE looks great on this pullback and continue to see a lot of value in the name, an ideal entry versus the recent lows.

Confidence Ranking: \$\$

Additional Options Flow

Market/ETFs

S&P (SPY) big buying in November \$355 calls this morning \$4.95 to \$5.01 for 33,000 contracts, also some size in Jan. \$380 and June 2021 \$400 calls

High Yield (HYG) buyer 16,000 November \$85.50 calls \$0.41

Healthcare (XLV) buyer 2500 November \$107 calls to open \$2.87

Metals (XME) buyer 5000 Dec. \$24 calls \$2.27 to open, looking to work out of multi-week consolidation, top holdings **CLF, WOR, CMP, ARCH, ARNC, X, ATI, CMC, STLD, HCC, NUE, RS, CDE, NEM, FCX**

Russell (IWM) with 10,000 Nov. 13th (W) \$150/\$140 put spreads opening this afternoon

Consumer Discretionary/Services

AMC Networks (AMCX) stock replacement buys 1000 November \$22.50 calls \$2.10 offer

Las Vegas Sands (LVS) opening sale 1000 June \$40 puts \$4.65

Macy's (M) opening buy 1000 ITM May \$9 puts \$3.38

Dish Network (DISH) with 1200 March \$30 calls sold to open from \$2.87 to \$2.79

Signet (SIG) with 500 January \$28 calls bought \$2.50 to open into strength, positive Telsey note today talking about how even though weddings are down, engagements are rising strong in 2020

Take-Two (TTWO) buyers of 1650 November \$160 calls for \$11.75 to \$12, nice base forming ahead of earnings on 11-6

Pitney Bowes (PBI) with 5000 November \$5 ITM calls bought \$2.20 to \$2.30, earnings 10-30

Kohl's (KSS) buyer 2000 December \$25 calls for \$1.16

Comcast (CMCSA) stock buyer with 4000 Jan. 2022 \$65/\$45 collars

Penn (PENN) working to day highs with 1850 next week \$67.50 calls being bought \$4 to \$4.25 to open, earnings 10-29

Ralph Lauren (RL) with 1500 Dec. \$80 calls opening \$4.65 as November adjust. **RL** now with some Dec. \$85 calls opening for \$3.04 as the Nov. \$85 calls roll out, 1600X

Match (MTCH) strong set-up and 1000 Dec. \$120/\$135 call spreads opening as the \$105 calls adjust

Houghton Mifflin (HMHC) with 3500 March \$2.50 ITM calls being sold to open \$1.20, tends to be a real bearish signal

Office Depot (ODP) with 1700 November \$23 calls bought \$1.40 offer this afternoon in unusual action, jumped 15% two of its last 4 reports, next report early November, likely WFH beneficiary

Consumer Goods

National Beverages (FIZZ) with 3000 April \$105 puts bought for \$26.50 as the December \$90 puts adjust out into strength

iRobot (IRBT) the December \$90 puts now being bought over 1150X for \$7.85 to \$7.90 into earnings tonight name that tends to make big moves and weak history lower in eight of the last eleven

Philip Morris (PM) down 3% on results seeing 700 June 2021 \$87.5/\$65 bull risk reversals open at \$1.50 credit

Target (TGT) opening sales of 2000 Nov. 6th (W) \$160 puts for \$1.94 to \$1.88 today into strength

Yum Brands (YUM) with 1500 November \$99.50 puts sold to open for \$4.40

Constellation (STZ) with 1200 Oct. 30th (W) \$180 puts bought \$2.27

Anheuser (BUD) seeing 1350 Nov. 13th (W) \$57 puts open

Wal-Mart (WMT) with 2000 January \$145 puts sold to open \$7.94, adjusting \$125 short puts

Energy

First Solar (FSLR) with 1000 November \$87.5/\$100 call spreads opening for \$3.14

Solar Edge (SEDG) spread sells 956 March \$400 calls \$29.50 and buys 1,912 of the \$200 puts \$13.75, collaring a stock position. **SEDG** another protective spread put s on March \$220/\$200 ratio put spread 1900X3850 with the \$370/\$400 call ratio bought 960X1920

Kinder Morgan (KMI) with 5000 November \$13 calls bought \$0.32 to \$0.34, earnings 10-21, MLP should be discussing 2021 outlook and business model shift this quarter

JK Solar (JKS) with over 3,750 December \$80 puts bought \$12.40 to \$13.75 into strength, parabolic run recently

Suncor (SU) spread sold 1100 March \$11/\$10 put spreads to buy the \$14 calls

Devon (DVN) with similar spreads selling April \$8/\$7 put spreads to buy the \$11 calls 1000X

Financials

Vornado (VNO) with 1000 June \$30 puts sold to open for \$3.80 in a stock replacement

UBS AG (UBS) buyers of 1640 August \$12.50 calls bought for \$1.20 into strength post-earnings and a possible Brexit deal

One Main (OMF) opening sale 1500 Dec. \$37 calls \$2.85 to \$2.80. **OMF** also now with 500 Dec. \$38 calls sold for \$2.20

Innovative Industrial (IIPR) with 650 Nov. \$130 calls bought for \$7.90 to \$8 today, strong play on cannabis growth and the election likely a catalyst

Zillow (Z) unusual large spread bought 4,850 June 2021 \$80 puts \$9.60, sold 6,000 of the \$60 puts \$3.55 and bought 1,150 of the \$80 calls at \$28.80

Morgan Stanley (MS) with 7500 June \$43 puts opening \$2.41 to \$2.47, stock tied. **Morgan Stanley (MS)** buyer 1300 January 2023 \$65 calls \$5

Boston Properties (BXP) the Nov. \$75 puts sold to open for \$2.60. 1000X, similar to **VNO** earlier

Ventas (VTR) buyer 1000 May \$52.50 calls \$1.70 to \$1.75

Gaming Properties (GLPI) with 3500 January \$33 puts sold to open \$0.95

SL Green (SLG) buyers 675 November \$50 puts \$5.20, earnings 10-21, concerns with NY office RE markets

Blackstone (BX) over 70,000 OTM January \$40 puts bought up to \$0.53

KE Holdings (BEKE) buyers of 1500 November \$60 puts today, a block earlier at \$2.85 and now a block at \$3.50

Healthcare

Bausch Health (BHC) buyers of 2500 November \$17 puts to open up to \$1.13

Glaxo (GSK) with 1,550 May \$38 calls sold to open for \$1.40 today ahead of earnings on 10-28. **GSK** May \$35 calls being bought 1700X \$2.75 to \$2.80 may be spreads with those \$38 call sales

Novavax (NVAX) with 925 ITM Nov. 27th (W) \$70 calls bought today between \$28.50 and \$33.85, likely looking for a vaccine update

CO Diagnostics (CODX) buyer 1000 November \$13.50 calls for \$1.85

BioHaven (BHVN) spread sells 1000 November \$95 calls \$1.10 and buys 1000 January \$100 calls \$5.05. **BHVN** now with 5000 April \$90 calls bought for \$14.60 in a stock replacement

Mirati Therapeutics (MRTX) with 500 Dec. \$240 calls sold for \$7.70 to open into data this week

TelaDoc (TDOC) with 650 December \$190 puts being sold to open \$8

Cardiovascular Systems (CSII) with 500 Nov. \$40 calls bought for \$2.20 to open, stock and IV jumpy here with shares flagging around its rising 21-day. CSII has earnings on 10-27

Halozyme (HALO) buyer 500 January 2022 \$32 calls for \$5.40

Industrials

Winnebago (WGO) buyer of 500 November \$55 calls \$5.61 and 750 November \$65 calls \$1.70 into earnings

Landstar (LSTR) the Nov. \$130/\$140 call spread bought 1000X for \$3.30 into earnings tomorrow, high-quality name with a strong history

Nio (NIO) opening sale 7000 November \$27.5 straddles for \$6.30

Lithia Auto (LAD) buyer of 500 November \$270 calls for \$14.75 to \$16, spread with sales of the \$300 calls 200X, earnings tomorrow morning, strong history and positive commentary from ALLY last week on the auto consumer and demand

TransDigm (TDG) with 200 February \$520 calls opening near \$37

Skyline (SKY) aggressive opening buy 1500 November \$30 calls \$1.35 offer

United Parcel (UPS) Oct. 30th (W) \$180/\$190 call spreads active here 2500X, earnings 10-28

Cognex (CGNX) offer sweep 200 May \$65 ITM calls \$11.80

KAR Auction (KAR) buyer of 2,000 November \$15 calls for \$1.35 into weakness, earnings in early November

Materials

Fortuna Silver (FSM) buyer of 1000 November \$5 calls for \$1.95, strong weekly chart after a big run in May and June

Wheaton (WPM) buyer 1000 Nov. 6th (W) \$48.50 calls \$2.20

Barrick (GOLD) buy-write with 1500 June \$32 calls sold for \$1.83

Pretium (PVG) with 2000 November \$10 calls bought \$2.90 to open ITM

WestRock (WRK) with 1265 November \$37.50 puts sold to open today for \$1.30, recent talk of a November price hike has been bullish for the group

Tech and Telecom

Xperi (XPER) with 500 March \$13 puts sold to open for \$2.30, recent March \$15 and \$16 call buys

Zoom (ZM) buyer 1000 January \$450 puts \$31 to \$32.40, recent size Jan. call closes as well

Ring Central (RNG) morning weekly squeeze set-up triggering breakout and small buyer of 50 November 13th (W) \$290/\$315 call spreads captures 11-9 earnings

Netflix (NFLX) seeing an interesting strategy into earnings with June 2021 \$550/\$700 call ratio spreads trading 850X1700 to open this morning

Lyft (LYFT) with 1000 November \$27 calls bought \$1.77 to \$1.90, follows the Dec. \$30/\$37.50 call spread bought 8000X yesterday and earnings on 11/10

Flextronics (FLEX) jumpy with 7950 December \$18 calls bought for \$0.55 to \$0.60, recent RBC note on a potential spin lifting the stock

Netgear (NTGR) buyer of 500 November \$35/\$29 put spreads for \$1.75 into strength with earnings tomorrow. **NTGR** strong with 2000 November \$38 calls bought \$1.45 to \$2.45, potential positive read from **LOGI** and reports 10-21

DataDog (DDOG) with 675 December \$105 puts bought \$8.70 where 450 bought to open yesterday, earnings around 11-12

TI (TXN) with 1000 December \$145 puts bought for \$5.80 with stock ahead of earnings tonight

Oracle (ORCL) bearish longer term flow with 1450 January \$65 ITM puts being bought \$6.55 offer

Etsy (ETSY) buyers active next week \$160 calls around 1675X near \$5.50 for earnings 10-28 which should be very strong

Crowd-Strike (CRWD) with 2,400 December \$120 puts sold to open today between \$4.60 and \$4.30, strong name and shallow pullback to the 21-MA this week

Cisco (CSCO) buyer 2000 April \$36 puts \$2.12 offer

Coupa (COUP) large opening buy 2000 January \$260 calls \$57.10

Advanced Micro (AMD) seeing December \$95 calls active in smaller lots today with buyers near \$3.50, over 5000X trading

Shopify (SHOP) IV fading today with 1000 November \$950 puts sold to open from \$30.50 to \$29, shares right back to the 21-EMA today and just below new highs with earnings 10-29

Domo (DOMO) with 2850 December \$40 calls opening \$3.91 as November \$36 adjust, a position adjusted multiple times

MercadoLibre (MELI) up 6% and 200 January \$1400 calls being bought \$110 to \$113

Analog Devices (ADI) opening sale 10,000 November \$110 puts \$1.05 to \$1

TI (TXN) with 10,000 November \$165 calls sold to open \$1.46

Micron (MU) buyer 10,000 June \$60 calls \$5.40 to \$5.45 while 7810 of the \$70 calls sold earlier \$2.70

Bilibili (BILI) with 2000 OTM April \$70 calls bought up to \$1.81 today, explosive weekly look after a strong multi-month run

Lyft (LYFT) spread sells 4500 Nov. \$35 calls at \$0.27 to buy 9000 of the \$20 puts \$0.55

NVIDIA (NVDA) with 1000 March \$540/\$455 bull risk reversals opening

Nutanix (NTNX) with 1300 April \$22.50 puts sold to open \$3.30

Palantir (PLTR) opening seller 1340 May \$9 puts for \$1.75

Norton Lifelock (NLOK) opening sale of 1000 January 2022 \$17 puts for \$2.05

Utility

Vistra (VST) buyer 1100 Dec. \$20 calls \$0.75 offer in a sweep

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.

Content is for informational and educational purposes only. You alone will need to evaluate the merits and risks associated with the use of this content. Decisions based on information provided are your sole responsibility, and before making any decision on the basis of this information, you should consider (with or without the assistance of a financial and/or securities adviser) whether the information is appropriate in light of your particular investment needs, objectives and financial circumstances. Investors should seek financial advice regarding the suitability of investing in any securities or following any investment strategies.

No reference to any specific security constitutes a recommendation to buy, sell or hold that security or any other security. Nothing constitutes investment advice or offers any opinion with respect to the suitability of any security, and the views expressed on this website should not be taken as advice to buy, sell or hold any security. In preparing the information contained in this website, we have not taken into account the investment needs, objectives and financial circumstances of any particular investor. This information has no regard to the specific investment objectives, financial situation and particular needs of any specific recipient of this information and investments discussed may not be suitable for all investors.