



Sector Leaders

Metals/Mining

Solar

Diagnostics

Stock Gainers

CRON 26.5%

TTD 26%

APPN 21%

COTY 18%

PLTR 17.5%

NET 17%

Volatility Gainers

- SNDL
- TLRY
- PLTR
- GME
- DGLY
- JKS

High Call Volume

- CARG
- GBT
- ANF
- GLUU
- TSEM
- BERY

Bullish Options

- NET
- NVDA
- LYFT
- SGMO
- XPO
- ANF
- NVS
- NBIX
- PLNT
- AMWL
- Z
- DIS

Market Review: Stocks were a bit lower overnight and into the open after a historic move this week in need of a rest as the US still await a final declaration of the Election results. Record COVID cases continue across Europe and the US and in jeopardy of causing further economic damage. Payrolls came in better than expected at 638k vs 570k with the unemployment rate down to 6.9%, potentially setting up for a more heated battle on stimulus if the economic picture continues to improve. It was a quiet day overall, the first of the week, as we digest the recent run. Early weakness was bought back above 3,500. There were some big outperformers on earnings with TMUS, CVS, SQ, and UBER. Energy was a laggard with crude pulling back more than 4%. Overall, a fairly stretched environment here that should hope to consolidate a bit above the 21-MA at 3420 before making a push higher to test the August highs into year-end.

S&P Chart:



Resistance	Support
3,560	3,400
3,680	3,300
3,855	3,240

Options Action Trends: It was a fairly quiet session and continue to see profitable call positions close and adjust into strength, today names like **MRVL**, **MTCH**, and **DISH**

What's On Tap: the focus will be on the ECB conference on Wednesday and Thursday, congress returning to Washington and further stimulus talks, and potential vaccine readouts. Earnings of note from AMAT, CSCO, DIS, and BRK.B. Analyst days from MCD, VZ, DPZ, QDEL

Trade Tracker Portfolio Changes:

- 1) No Changes

Sector Laggards

Housing

Oil & Gas

Airlines

Stock Losers

GBT -37%

PS -25%

AYX -19.5%

NEWR -14.5%

SRPT -13.5%

ANGI -13%

Volatility Losers

- CRON
- NEWR
- EB
- CARG
- FNKO
- GRPN

High Put Volume

- AXL
- NVO
- ANGI
- GBT
- STLD
- DISCA

Bearish Options

- TWTR
- PENN
- LRCX
- UAL
- CWH
- BKR
- NVO
- MTG
- FLT
- RDFN
- F
- CHWY



FEATURED OPTIONS RADAR REPORT



Ambarella Calls Bought on M&A Potential, Improving Growth Outlook

Ticker/Price: AMBA (\$60.90)

Analysis:

Ambarella (AMBA) with a surge in bullish activity this week starting on 11/4 with 2000 November \$57.50 calls bought and on 11/5 it continues with 1000 Nov. 13th (W) \$62 calls and 1500 May \$80 calls, the latter bought to open \$3.10 to \$3.20. AMBA had minimal open interest coming into the week. AMBA shares broke out of a range in early October and retraced the move late October before running strong to multi-month highs this week, the 8, 13, 21 week moving averages all rising and supportive. The longer term monthly view shows a stock in a \$35/\$65 range and in recent months consolidating in a tight squeeze range. AMBA will report in late November and shares closed lower the last four reports with an average max move of 12%. The \$2.14B chipmaker trades 9.3X Sales with revenues seen recovering to 15% growth in FY22 after an 8% decline in FY21. AMBA considers itself an artificial intelligence company that has created a highly optimized computer vision system-on-a-chip. AMBA is targeting applications in automotive, security camera and robotic applications with smart home security camera production in 2021 and automotive camera systems in 2022-2023. AMBA has \$410M in cash and marketable securities on the balance sheet and no debt which makes it a potentially attractive acquisition target. The security camera market is 60-65% of revenues with a 900M camera installed base which has a 4-6 year replacement rate cycle. AMBA has emerging opportunities for automated guided vehicles, consumer and industrial robots and other applications. Analysts have an average target of \$64 with short interest at 7.8% of the float near a multi-year low. KeyBanc earlier this week noted AMBA among next potential likely M&A targets. Rosenblatt raised its target recently on industry checks and quarterly design wins seeing improving revenue growth the next five quarters. Berenberg recently started shares Buy with a \$67 target noting the exciting opportunity in computer vision investors will recognize. Craig Hallum upgraded to Buy with a \$75 target, seeing the potential for momentum in Automotive and Security markets. Hedge Fund ownership rose 4.5% in Q2 filings.

Hawk Vision:



Hawk's Perspective: AMBA

Confidence Ranking: \$\$



FEATURED OPTIONS RADAR REPORT



Alcoa Bulls See Further Upside as Outlook Improves

Ticker/Price: AA \$14.05

Analysis:

Alcoa (AA) notable bullish flows on 11/5 with 10,000 January \$14 calls bought up to \$1.60, adding to the 14,000 bought on 9/25. AA also saw 2,200 April \$13 calls bought up to \$2.95 and 1,000 April \$15 calls bought up to \$1.87. AA has seen buyers in the Jan. \$16/\$11 bull risk reversal, Jan. 2022 \$13 calls, and Jan. 2022 \$15 short puts recently. AA shares are consolidating under \$16 and the August highs with a breakout targeting \$22 and out of a multi-year downtrend. AA has a high-volume node up at \$30 for the longer-term potential. The \$2.42B company trades 0.26X sales and 2.5X cash with accelerating profitability and a return to positive revenue growth in 2021. AA should benefit in 2021 from a more positive aluminum outlook as Chinese demand strengthens as they rebound from COVID lockdowns and inventory gluts begin to be worked down in warehouses. They have longer-term tailwinds from growth in electric vehicles, aluminum cans, and electrical infrastructure growth. Analysts have an average target for shares of \$14 and CSFB a Street High \$18. B Riley positive in late September seeing potential for a shift into positive FCF in 2021 as they could benefit from an improved cost position in 2021 due to the potential sale of San Ciprian, as well as the other high-cost asset curtailments that have occurred in the past year. BAML upgrading to Buy on 9/8 noting that lower interest rates for a longer period = support off-LME aluminum warehouse financing deal, which can boost prices by limiting supply. Short interest is 6% and down from 9% in July. Hedge fund ownership fell 4.5%. Masters Capital, Point72, and Pentwater Capital notable holders.

Hawk Vision:



Hawk's Perspective: AA positioned well for a run at \$16 with some momentum at its back and a potentially big breakout but prefer to see it pull back into the rising 8- and 21-EMA for a better risk/reward setup

Confidence Ranking: \$\$



Abercrombie Bulls Position for Earnings Strength on Back-to-School, E-Commerce

Ticker/Price: ANF \$15.55

Analysis:

Abercrombie & Fitch (ANF) with 10,000 December \$16 calls bought this morning up to \$1.65 to open, hot action in the name that has 3,800 November \$16 calls in OI. Shares in a strong trend since rebounding from the Summer lows and consolidating in a bull flag above the breakout level at \$14 with the rising 55-MA supportive this week. ANF has big resistance above at \$17.25 and a run above has open space from a gap in April 2019 back to \$25. The \$960M apparel company trades 19X earnings, 0.30X sales, and 4.55X FCF with a lot of cash on the balance sheet and very limited debt. ANF sees mid-double digit revenue growth in FY22 with margins continuing to improve as they execute on a number of key initiatives. ANF is coming off a strong quarter as they reduce square footage, invest in digital and omnichannel, update their supply chain and build out best-in-class customer engagement programs. They did over \$1B in digital sales last year and seeing a big pull-forward in 2020 as they see double-digit gains in mobile traffic every month since April while conversion and AUR both increase. ANF has been conservative on inventories into the 2H as they move more to warehousing and also cutting back on Fall marketing as they see better ROI through their digital channels. They expect back-to-school to be a driver this quarter as it likely extends into October given the more seasonal weather patterns and overall buying shifts with more schooling from home. ANF has a unique position with their Hollister brand significantly outperforming the core brand and now more than 50% of their overall mix, and a situation where we've seen other apparel names pursue a split or spin to drive value. Analysts have an average target for shares of \$15.50 and Citi a Street High \$20. B Riley raising estimates on 10/14 noting that ANF is likely a winner in the post-COVID world as they can use their healthy balance sheet and demand trends to capitalize on lower rents and store rationalizations while competitors fold. Short interest is 16.9% but steadily lower from its 5-year high around 35%. Hedge fund ownership rose 11% in Q2, Prentice Capital a top holder with 3.8M shares and their second largest position. The CT-based fund runs a smaller book and mostly concentrated in consumer names. ANF has seen some notable insider buying this year as well with the CEO buying over \$480K in stock in March around \$11.

Hawk Vision:



Hawk's Perspective: Retail is not an attractive space overall but ANF performing well and positioned in omnichannel better than some peers, so could see upside into earnings on 11/24; the Hollister spin an interesting idea as well, although long rumored and hasn't gained much traction

Confidence Ranking: \$\$

Additional Options Flow

Market/ETFs

NASDAQ (QQQ) after a surge this week and back near 2020 resistance highs seeing 4000 March \$276 puts bought \$14.50 to \$14.60

S&P (SPY) buyer today of the March \$355/\$375 call spread 10,000X for \$8.68

Emerging Markets (EEM) large spread today buys the March \$48/\$52 call spread and sells the \$43 puts 25,000X

Consumer & Business Discretionary/Services

Penn (PENN) buyer 1500 Nov. 27th (W) \$60 puts \$3.25

Take-Two (TTWO) rebounding from the early lows with 1000 December \$155 puts sold to open from \$3.20 to \$3.10

Caesar's (CZR) with 500 March \$60/\$70 call spreads bought. **CZR** also with 2,000 November \$57 calls bought for \$2 with the \$60 calls sold for \$1.15, possible adjusting back

Planet Fitness (PLNT) red to green move with a spread selling 2500 December \$55 puts \$1 and buying 2500 November \$67.5 calls \$1.90

Hanes (HBI) opening sales 4000 Dec. 4th (W) \$13 puts \$0.45

Carvana (CVNA) with 500 February \$160 puts sold to open \$11.50

Groupon (GRPN) with 1800 December \$22 calls bought up to \$2.70 to open today

Disney (DIS) size buy 3000 April \$130 calls \$9.10 to \$9.30 to open

Signet (SIG) the December \$45 calls bought 2,000X up to \$1.75 to open ahead of early December earnings

McDonalds (MCD) bull spreads here are selling the Nov. 13th (W) \$202.5 puts to buy the \$220/\$230 call spread 1250X for \$1.65 into earnings on Monday

Darden (DRI) with 1000 November \$100/\$90 put spreads bought for \$2.05 into strength

Ulta Beauty (ULTA) with 1000 OTM December 24th (W) \$240 calls bought for \$6.60 and 1,000 December 24th (W) \$250 calls bought for \$4.10 ahead of 12-3 earnings

Consumer Goods

Colgate (CL) with 1,400 December \$85 calls sold this morning to open from \$1.55 to \$1.48

Callaway Golf (ELY) buyers nearly 3000 December \$20 calls \$0.85 to \$1

Chewy (CHWY) with 1,000 November \$70 puts bought today up to \$3.14, spread with 1,500 November \$62 puts sold for \$0.50

Financials

Uptech Financial (TIGR) with 1000 Nov. \$2.50 calls bought for \$2.40 to \$2.50, small-cap online brokerage based in China

ACI Worldwide (ACIW) buyer 10,000 Dec. \$35 calls to open \$1.15 in stock replacement. **ACIW** a recent Starboard pitch as a takeover candidate

Zillow (Z) with 500 January 2022 \$130 calls bought \$22.70 to \$23.20, stock up 14% on results

Aon (AON) stock rising 3% today and now over 2,850 April \$200 calls bought up to \$9, the April \$190 calls bought over 950X this week already. **AON** also with 1,500 January \$200 calls bought for \$4.70 today, looks to be adjusting the April \$190 calls from earlier this week that close 900X

Redfin (RDFN) lows of the day after earnings, down 4.5%, and the December \$40 puts opening \$1.35 to \$1.45

Blackstone (BX) buyer of 400 January 2022 \$62.5 puts for \$12.85

Fleetcor (FLT) the January 2022 \$200/\$100 put spread bought 250X500 for \$16.06

Healthcare

Sangamo Therapeutics (SGMO) buyers of 1,200 May \$14 calls for \$1.60, nice weekly flag forming

Novartis (NVS) another 1,500 April \$80 calls being bought today for \$7.10, same spot as 10/29 buyers

Neurocrine (NBIX) into weakness with 600 February \$105 calls bought \$6.20 to \$7

Global Blood Therapeutics (GBT) down 35% on earnings and missing expectations for Oxbryta but seeing bull flow today with 1,500 March \$45 calls bought up to \$3.80, over 1000 March \$50 calls bought up to \$2.50, and small sellers in the November \$40 puts

American Well (AMWL) options unusually active today with bull covered risk reversals, the June 2021 \$22.50 and \$20 puts each with 1175X sold to open while the \$30 and \$35 calls are bought spread with \$45 and \$50 calls. The \$7.15B provider of telehealth applications is set to report next week.

CryoPort (CYRX) large spread in the name today sells 2,000 Jan. 2022 \$22.50 puts to buy the \$45/\$70 call spread for a net \$3.50, strong runner in the 1H of the year and now forming a weekly bull wedge just above the 50% retracement of the rally

Welltower (WELL) spread this afternoon sells the December \$50 puts 2,500X for \$1.30 and buys the \$57.50/\$65 call spread 2,500X5,000 for \$1.25

Industrials

Li Auto (LI) opening sale 1000 March \$25 puts \$4.50

XPO Logistics (XPO) buyer 640 December \$100 calls \$3.90 to \$4.20 into early dip to 8 MA support

General Motors (GM) opening sale 1500 March \$35 puts at \$2.68. **GM** stock replacement now sells 1000 June \$37 puts for \$4.90

Camping World (CWH) with 100 January \$25 calls sold to open \$5.80

Ritchie Bros. (RBA) with the June \$75/\$85 call spread bought 3,000X for \$3.60 to open today, closing out some November call spreads with shares up 7% on earnings and a strong performer all year. **RBA** now with 1000 March \$90 calls bought \$1.25

Air Lease (AL) buyer 1370 November \$30 calls \$1.60, earnings 11-9

ZTO Express (ZTO) with 1,600 April \$28 puts sold to buy the \$33/\$38 call spread for \$0.09 overall debit

Ford Motor (F) with 37,750 December 24th (W) \$7 puts bought up to \$0.23

Raytheon Tech (RTX) with 16,200 June \$70 calls bought for \$2.30 today, continues to draw large bullish positioning into weakness

American Axle (AXL) with 15,000 January 2022 \$7 puts sold to open for \$1.16, auto parts name that has lagged

Axon Enterprise (AAXN) higher by 12.5% on earnings and 900 ITM March \$100 calls opening for \$27.25 in stock replacements

Materials

DuPont (DD) front-month IV jumps with 3,000 November \$61 calls bought up \$1.72 to open

Sibanye (SBSW) with 5,000 December \$15 calls bought for \$1.07 to \$1.08 today, adjusting 2,500 April \$12.50 calls

US Steel (X) with 25,000 July \$7 puts bought today for \$0.85, adjusting some April \$6 puts originally bought with stock

Steel Dynamics (STLD) the January 2023 \$32 puts sold to open for \$5.65, adjusting some Jan. 2021 \$23 short puts higher

Berry Global (BERY) with 2000 March \$60 calls sold to open for \$1.15

Tech and Telecom

Cloudflare (NET) strong move on earnings up 14% and 3,000 December \$70 calls being bought to open from \$3.60 to \$4.70

Palantir Technologies (PLTR) also with 1,150 ITM Nov. 27th (W) \$10 calls bought \$2.85 to \$2.95 into earnings on 11-12 with the 3,000 Nov. \$14.50 calls. **PLTR** now also seeing the February \$12.50 puts bought over 6,000X up to \$2.25. **PLTR** now with 5000 December \$14 puts bought for \$2.18, spread with 2,500 of the \$10 puts bought last week which likely adjusting back

Box (BOX) buyers of the January 2023 \$35 calls today, 2750X, for \$1.30, looking for a long-term turnaround in the underperformer

Trip.com (TCOM) with 500 June \$35 puts sold to open today for \$5.40

Amazon (AMZN) with 1000 next week \$3300 calls opening \$50.27 as \$3200 adjust

NVIDIA (NVDA) with 1250 Nov. 27th (W) \$545 ITM calls opening \$39.50, captures 11-18 earnings

Stamps.com (STMP) lower by 10% despite crushing estimates and raising guidance sharply, seeing 700 Nov. 13th (W) 4250 calls bought in early action

Lyft (LYFT) with 1500 April \$30/\$40 call spreads bought in early action

T-Mobile (TMUS) with 17,800 December \$135 calls opening \$1.94, adjusting November \$125 calls. **TMUS** now with 2,000 May \$145 calls opening for \$4.45, adjusting the Jan. \$130 calls from 10/12

Calix (CALX) with 900 December \$29 calls bought up to \$1.40 into the early dip

Baidu (BIDU) with 770 June 2021 \$200 calls being bought \$3.45 to \$3.65

Match Group (MTCH) the December \$135 calls bought 1,500X for \$7.30 this morning and spread with a sale of 2,000 December \$150 calls for \$2.10. **MTCH** also with 1,350 November \$130 calls opening for \$7.10 as the weekly \$125 calls adjust. **MTCH** with 1,250 March \$120 calls bought for \$22.35 in a stock replacement now

Adobe (ADBE) with 600 Nov. 13th (W) \$490 calls bought \$10 offer

Sea (SE) with 350 May \$220 calls bought OTM to open at \$19

Apple (AAPL) with 1000 Dec. 24th (W) \$110/\$122 call spreads bought. **AAPL** March \$130 puts bought 4000X to open \$18.225 today as well. **AAPL** the December 24th (W) \$110/\$122 call spread bought 1500X for \$6.80

Dish Network (DISH) with 6,000 December \$30/\$35 call spreads opening for \$0.80 as the Nov. 13th (W) \$27 calls adjust

Marvell Tech (MRVL) the February \$45/\$55 call spread opening 5,500X for \$2.40 as some Feb. spreads adjust higher. **MRVL** also with 7,500 December \$46 calls bought up to \$1.70 as the \$42 calls adjust from 11/4.

Discovery (DISCA) with 3,000 November / December \$20 put calendar spreads' bought for \$0.50

ViacomCBS (VIAC) with 8000 January \$29 puts bought for \$1.95, tied to stock

IQIYI (IQ) volume continuing and IV rising as the November \$26.50 calls noted earlier now up to 10,000X with buyers at \$1.30

Google (GOOG) with 1,500 of next week's \$1,800 calls bought for \$10.40 today

Salesforce (CRM) size opening buyer of 4,000 March \$230 calls for \$42.80 today, stock replacement for more than \$17M

Magnite (MGNI) buyer opening 3,450 December \$12.50 calls for \$0.92 as some Dec. \$10 calls adjust higher, earnings next week

Sabre (SABR) interesting spread today is selling 5,000 Jan. 2022 \$15/\$5 strangles and buying the April \$7 calls for a net \$0.10 credit, play on travel rebounding

Advanced Micro (AMD) the February \$87.50 calls being bought for \$8.02 to \$8.03, 5500X as the January \$77.50 calls adjust out

nLight (LASR) the March \$20 puts bought 4,500X for \$0.79, adjusting some Dec. \$17.50 puts and March \$17.50 puts back

Ring Central (RNG) buyers of 1,000 November 13th (W) \$275 puts for \$4.40 to \$6.10 today to open ahead of earnings on 11-9

Q2 Holdings (QTWO) with the November \$105 calls bought \$2.25 to \$2.65 this afternoon, 1000X and running over 100X average

DocuSign (DOCU) with 1,500 December 4th (W) \$255 calls sold to open today from \$8.35 to \$8.25, earnings expected around 12-3

Fox (FOXA) with 5000 January \$25/\$21 put spreads bought for \$0.97

Digital Turbine (APPS) with 2,000 January \$40 puts bought for \$4.80 and spread with the sale of the \$50 calls for \$3.55, stock collar into strength

TripAdvisor (TRIP) with 35,000 June \$22/\$18 bull risk reversals bought for \$0.38, adjusting some January spreads

Mercado Libre (MELI) with 550 March \$1260 calls bought for \$275.90 to open, around \$15M

Utility

Next-Era (NEE) the March \$85/\$67.50 strangle sold to open today 2,240X for \$3.80

Disclaimer:

Not Investment Advice or Recommendation

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