



Sector Leaders

Banks

Energy

Semi's

Stock Gainers

- AMBA 21%
- MARA 10%
- VRTX 8.7%
- GT 8.5%
- SI 7.5%
- SNAP 7%

Volatility Gainers

- GWH
- IRWD
- RETA
- WB
- HYFM
-

High Call Volume

- PFSI
- EL
- CAH
- ITB
- HBI
- FOXA

Bullish Options

- CRC
- MU
- MGM
- MCHP
- HPQ
- PFSI
- BHF
- HTZ
- ZNGA
- NIO
- CAH
- RCL

Market Review: Stocks rebounded overnight to start the month of December boosted by some economic data overseas and some calm returning with the Omicron variant potentially milder than feared while the taper tantrum also abated. In morning data the ADP Employment for November came in a bit above expected while US PMI came in strong at 58.3 though a bit below the Flash reading. Commodities and Consumer Discretionary got off to a hot start early with many 3%+ gainers. It was a snapback rally with Banks & Energy leading upside while Semiconductors continued to outperform in Tech. Bonds were weak and high multiple Software names were hit the hardest. Stocks started to weaken midday and rolled over a bit as South Africa started releasing more concerning details about the latest Omicron trends and then the first US case was reported by the CDC. There remains a bunch of carnage on the charts and since the 11/18 NYSI sell-signal triggered it remains a time to be patient, a close above the 8-MA would be the first sign of a potential constructive bottom.

S&P Chart:



Resistance	Support
4675	4530
4720	4500
4880	4440

Options Action Trends: We saw call sales across high growth Software names set to report like **SNOW, CRWD**. There was not a lot of large call buying into the rally which eventually faded, a choppy environment where clarity being awaited.

What's On Tap: Jobless Claims and Fed Speakers. Earnings from **MRVL, DG, DOCU, KR, ULTA, ASAN, COO, GWRE, SMAR, OLLI, SIG, VRNT** and others.

Trade Tracker Portfolio Changes:

- 1) No Changes

Sector Laggards

Software

Bonds

Biotech

Stock Losers

- MRNA -9.7%
- NVAX -7.2%
- NET -6.9%
- MNDY -6.5%
- CRM -5.75%
- SE -5.75%

Volatility Losers

- PLBY
- OXY
- ARRY
- FANG
- MRVL
- HAL

High Put Volume

- TFII
- CSGP
- EGHT
- STNG
- LAZR
- MAXR

Bearish Options

- RIVN
- SNOW
- IRBT
- DOCN
- CRWD
- AMD
- STNG
- ABNB
- TRIP
- TDOC
- ESTC
- SE



FEATURED OPTIONS RADAR REPORT



Large Bull Bets See 75%+ Upside in Mid-Cap Biotech into Major Event

Ticker/Price: BBIO (\$40.5)

BridgeBio Pharma (BBIO) with an unusual large trade on 11/30 as 10,000 January \$75 calls were bought for \$2.10 with shares trading \$38.50, positioning for more than 100% upside in under two months. BBIO has previously seen January call spreads accumulate with the \$50/\$70 now having over 5000 in open interest and a trade from 2/1 that sold 5000 December \$50 puts to open for \$8.80 remains in open interest. BBIO has a strong run-up in late 2010 but is -46.5% YTD and sits now right on a 61.8% Fibonacci also retesting its 2020 flag breakout and key volume node that started the run higher. BBIO's goal is to identify and advance transformative medicines to treat patients who suffer from Mendelian diseases, which are diseases that arise from defects in a single gene, and cancers with clear genetic drivers. Its pipeline of over 30 development programs includes product candidates ranging from early discovery to late-stage development. Its core value drivers include Acoramidis, a small molecule stabilizer of transthyretin, or TTR, that is in an ongoing Phase 3 clinical trial for the treatment of TTR amyloidosis-cardiomyopathy, or ATTR-CM; Low-dose infigratinib, a small molecule selective FGFR1-3 inhibitor that is an ongoing Phase 2 clinical trial for the treatment of achondroplasia in pediatric patients; BBP-631, an AAV5 gene transfer product candidate for the treatment of congenital adrenal hyperplasia, or CAH, driven by 21-hydroxylase deficiency, or 21OHD; and Encaleret, a small molecule antagonist of the calcium sensing receptor, or CaSR, that is in an ongoing Phase 2 proof-of-concept clinical trial for Autosomal Dominant Hypocalcemia Type 1, or ADH1. BBIO has a \$5.9B market cap and trades 9.8X cash, clinical stage with consensus estimates for around \$1B in revenues in 2025. The key upcoming catalyst is Part A data from the Phase 3 ATTRIBUTE-CM study of acoramidis expected by year-end while infigratinib for achondroplasia and BBP-631 for CAH are expected in 2022. Analysts have an average target of \$82 with short interest at 10.5% of the float. Goldman estimates that if 6MWD results are better than Pfizer's tafamadis there is likely 50% upside in shares with \$2.2B peak sales for 2030. It sees 20-30% downside if results are in-line with tafamadis and 60%+ downside if results are worse. Note that Goldman's report was in September and estimated \$75 upside and \$20 downside so the reward/risk has shifted with recent share weakness. BAML upgraded to Buy on 9-10 with a \$75 target positive on upcoming catalysts. It sees potential for best-in-class profile and BBIO's four key programs all advancing towards commercial approval. It sees blockbuster potential for acoramidis and notes that phase 2 proof of concept data in infigratinib for achondroplasia expected 1H22 has the potential to be competitive with, and potentially superior to BioMarin's vosoritide given the differentiated mechanism. It values NPV parts at \$35/share for acoramidis, \$20/sh for infigratinib in cancer, \$6/sh for infigratinib in achondroplasia, \$1 for fosdenopterin, \$6/sh for encaleret, \$9/sh for CAH gene therapy, and -\$3/sh in net cash. UBS in May started shares Buy with an \$80 target noting best-in-sector R&D productivity and growth and is confident in upcoming catalysts. Viking Global has a notable \$1.2B stake in BBIO.

Hawk Vision:



Hawk's Perspective: BBIO is clearly a boom or bust play but the Jan. \$50/\$70 call spreads now at \$5 offer a nice reward/risk for a speculative bet on a name that looks to have a high probability of positive data.

Confidence Ranking: \$\$



FEATURED OPTIONS RADAR REPORT



Bulls Position for Upside in Gas-Levered MLP Through Q1

Ticker/Price: OKE (\$59.84)

ONEOK (OKE) unusual large bullish options flow on 11/30 as 4000 April \$67.50 calls were bought \$2.35 to \$2.45 to open, a name without much notable open interest outside of 2850 January \$57.50 long calls and 9950 short \$65 calls. OKE shares are slipping under its 55-day moving average this week and hitting a 38.2% retracement off the July low as well as VWAP off that July low. OKE is a leading midstream service provider and own one of the nation's premier NGL systems, connecting NGL supply in the Rocky Mountain, Permian and Mid-Continent regions with key market centers and an extensive network of natural gas gathering, processing, storage and transportation assets. OKE screens well against MLP peers across key metrics and the current window through January is a seasonally strong one for MLPs. OKE maintains sizable torque to higher gas/NGL production with its concentrated Bakken position. OKE has a \$27.6B market cap and trades 15.45X Earnings, 12X EBITDA and 4.57X Book with a 6.25% dividend yield. Visibility into EBITDA growth is tied to improved Bakken producer activity (w ell completions, rig additions to maintain DUC inventory), still rising GORs (higher IPs, flatter decline curves), and processing/marketing exposure to NGL price strength. OKE also has an important Ethane opportunity, OKE has disclosed that every incremental 25 MBPD of Bakken ethane recovery would translate to approximately \$100mm in annual EBITDA at full bundled T&F(\$0.28/gal), or \$400mm if the full 100 MBPD was extracted. Analysts have an average target of \$66 and short interest is low at 1.9% of the float. RBC raised its target to \$63 on 11/15 seeing strong 2022 cash flow growth on volume strength and sees financial flexibility with leverage closer to its 3.5X target. Bernstein upgraded to Outperform on 9/23 citing that recent data from the Bakken suggests gas to oil ratio is rising much faster than modeled, and this is not due to mix-shift or high grading.

Hawk Vision:



Hawk's Perspective: OKE is not too exciting to be trading OTM calls, a name better to own the stock with the strong yield or play through ITM calls.

Confidence Ranking: \$\$

Additional Options Flow

Market/ETFs

Russell (IWM) buyer 7500 Jan. 2023 \$275 calls \$5.09 to \$5.10. **IWM** seeing 55,000 January \$195 puts open this afternoon

Oil (USO) with 10,000 April \$42 puts sold to open for \$3.95

South Korea (EWY) earlier with 10,000 April \$82 calls bought aggressive for \$3.40 to \$3.50, strong Export numbers

China (FXI) earlier with a buyer of 13,000 April \$40 calls for \$1.70

Tech (XLK) opening seller 2500 Dec. \$175 ITM puts for \$5.90 into weakness

Regional Banks (KRE) with 19,000 March \$68/\$62 put spreads bought today with the \$81 calls sold, also seeing 14,000 Jan. \$67 puts open as December spreads adjust

Consumer Goods

Rivian (RIVN) notable bear flow early with buyers in January \$90 puts 3350X, watch for a break under \$105. **RIVN** also with 1000 Jan \$160 calls bought \$7.50 to \$8

iRobot (IRBT) with 1900 February \$75 puts opening \$7.70 as 1000 Jan \$95 adjust

Hanesbrand (HBI) IV rise with 3750 January \$16 calls opening \$1.40 adjusting Dec. \$17 calls

Ford (F) hot name today and 3500 April \$17 puts sell to open for \$0.91

Zynga (ZNGA) buyer 4425 January \$5 ITM calls for \$1.16. **ZNGA** also with 6500 Jan. \$6 puts sold to open \$0.44

Nio (NIO) offer buyers come in for 3500 March \$40 calls \$6.35

Olaplex (OLPX) opening sale 1000 June \$35 calls for \$3.60

Performance Food (PFGC) with 1125 January \$40 calls bought \$3.40 offer in a stock replacement, top food distributor

Consumer/Business Services

Macy's (M) buyer 2000 March \$35 calls for \$1.98, recent impressive earnings and has pulled back

MGM with 1500 January \$41 calls bought \$3.10 offer to open as it tries to take back the rising 200-MA. **MGM** 6500 June \$45 deep ITM puts bought \$9.10 here

Viacom (VIAC) sellers active in September \$32.50 puts 2800X near \$4.80, will confirm tomorrow if opening

Hertz (HTZ) aggressive offer buyers here 4000 March \$30 calls \$3.10 to \$3.20

Royal Caribbean (RCL) with 12,500 February \$75/\$85 call spreads bought for \$3.20

Hilton (HLT) sale to open of 1500 May \$135 puts for \$12

Caesar's (CZR) with the January \$95/\$120 call ratio bought 2500X5000

Norwegian Cruise (NCLH) with 2000 September 2022 \$20 puts sold to open \$4.20

Chegg (CHGG) with 1000 February \$30/\$40 call spreads bought today

TripAdvisor (TRIP) with 2500 January 2023 \$30 calls sold to open today \$4.15 to \$4.05

Las Vegas Sands (LVS) with 1000 June \$32 puts sold to open \$3.05

Fetch (FTCH) with 1000 January 2023 \$45/\$25 bull risk reversals opening \$1.44. **FTCH** now 1000 June \$30 puts sold to open \$3.45

Expedia (EXPE) buyer 1000 February \$170 calls for \$9.10 into late day weakness

Airbnb (ABNB) with 2000 January 2024 \$110 short puts opening \$13.19 as Jan. 2023 \$100 adjust, also February \$165 puts trading 4500X size buyers this afternoon \$12.05+

Unity (U) large opening sale 500 May \$150 puts \$19.30 to \$18.90 this afternoon

Lowe's (LOW) buy-write sells 500 Jan. 2023 \$320 calls for \$9.55

Energy

California Resources (CRC) early unusual buy of 1000 Dec. \$40 calls \$2.50 to \$2.95

Scorpio (STNG) with 4500 January \$13 puts bought \$1.05 to \$1.15 as stock falls here

YPF SA (YPF) with 5000 January 2023 \$7 calls opening \$0.40

QuantumScape (QS) opening seller of 1000 March \$25 puts for \$3.25

Canadian Natural (CNQ) with 4500 January 2023 \$45/\$30 bull put spreads opening for a \$7.05 credit, seen similar in Canadian banks, telecoms

Marathon Petro (MPC) with 2000 February \$65 straddles being sold to open

Royal Dutch (RDS.A) buyer of 3000 Dec. 31st (W) \$46 calls for \$0.60, been an activist situation

Financials

PennyMac (PFSI) jumps with 1000 February \$70 OTM calls bought \$1.70, name has held firm

Shift4 (FOUR) with 5000 December \$55/\$60 call spreads opening

Affirm (AFRM) opening sale 550 Jan. 2023 \$105 puts for \$21.20. **AFRM** also with 650 Jan. 2023 \$250 far OTM calls bought \$10.60

BrightHouse Financial (BHF) with 5000 February \$55 calls bought \$2.20 as the \$60 calls adjust back

MFA Financial (MFA) buyer 10,000 April \$4.50/\$5 call spreads for \$0.14

Bank Nova Scotia (BNS) with 2100 Jan. 2023 \$65 calls sold to open \$3.70

Robinhood (HOOD) weak on the big lock-up expiration but watch for a turn, IV's rising sharply since midday with 9500 Jan. \$25 calls very active for over \$3M trading \$3 to \$3.45

KeyCorp (KEY) buyer 3000 January \$22 puts for \$0.85 to \$0.90 as it fades to lows

Healthcare

Boston Scientific (BSX) with 3000 Dec. 10th (W) \$38 calls opening \$1.55, speaking today at Evercore Conf. **BSX** also 1900 Feb \$42 OTM calls bought \$0.98 to \$1.06

Briacell (BCTX) bear flow with 1150 July \$15 calls sold to open \$3 to \$2.80

Cardinal Health (CAH) buyer 10,000 March \$52.50 calls \$1.15 as Dec. and Jan calls adjust out

Phillips (PHG) with 1000 January \$35 synthetic longs opening \$0.50

Zogenix (ZGNX) climbing 11% on news today and block of 4000 April \$16 puts sells to open for \$4.40

TelaDoc (TDOC) with 1000 June \$90 puts bought \$10.80 with shares on lows down another 3.6%

Bausch (BHC) with 5882 April \$30 calls opening for \$0.85

CVS Health (CVS) with 11,000 January 7th (W) \$100 calls bought cheap OTM low Delta around \$0.46 earlier today, name that could see pick-up from testing

Medtronic (MDT) with 750 February/May \$115 call calendars opening at \$2.29

Industrials

Boeing (BA) with 1500 May \$135 puts sold to open for \$3.20

Southwest (LUV) buyer 11,000 Jan. \$42.50 puts \$2.20 but stock tied

Delta (DAL) opening sale 1500 April \$34 puts for \$3.40

Waste Mgmt. (WM) today with 7000 January \$165 calls bought \$4.30 to \$4.40

Howmet (HWM) with 6500 April \$35 calls opening \$0.65 as Dec. \$40 adjust

Materials

Mosaic (MOS) with 4000 June \$50 calls selling to open \$1.18 to \$1.15 today

Dow Chemical (DOW) seeing buyers of 4000 March \$62.50 calls up to \$1.15 as the \$65 appear to be adjusting back

Tech

Snowflake (SNOW) opening seller of 2500 January \$355 calls for \$15.10 to \$15 ahead of 12-1 earnings

CrowdStrike (CRWD) seeing 3500 January \$240 calls sell to open into earnings tonight, similar to **SNOW**

Microchip (MCHP) up on new highs and 2000 OTM Jan. \$100 calls bought aggressive \$1.55 offer

HP (HPQ) impressive strength continues and 2000 April \$36 calls bought \$3 to \$3.30 this morning with a preference for value being seen in markets

Advanced Micro (AMD) rolling over a bit with 3500 June \$140 puts opening as April \$135 adjust

Micron (MU) breaking out strong with buyers in Dec. \$88/\$100 call spreads 3000X

Digital Ocean (DOCN) buyers of 1200 Dec. \$100 puts \$4.70 to \$5.10

ZenDesk (ZEN) spread selling 2550 January \$110 calls to buy the \$100/\$90 put spreads, likely protective with recent JANA stake

Salesforce (CRM) into weakness with 3000 February \$230 puts selling to open \$4.65 to \$4.50. **CRM** block of 5000 January \$240 puts sold to open \$5.65 as well

C3 AI (AI) with an opening sale 625 July \$30 puts for \$5.10

Intuit (INTU) coming off an exceptional quarter seeing 500 January 2023 \$500 puts sell to open \$34.80 to \$34.40 today

Roku (ROKU) ugly continues to break to lows but 1000 Dec. 23rd (W) \$200/\$230 call spreads are bought here for \$19

Sea (SE) buyer 1000 Dec. \$240 puts for \$3.20. **SE** also seeing offer sweep buyers 2500 Jan. \$240 puts

Oracle (ORCL) a bit earlier with 6000 Dec. \$94 calls bought \$1.92 ahead of mid-December earnings

Elastic (ESTC) buyer of 1200 Dec. \$140 puts bought \$6.20 to \$6.60 into earnings tonight. **ESTC** also with 1500 Dec. \$150/\$160 call spreads bought into earnings as Jan. spreads adjust back

Ping Identity (PING) off lows with 4000 Dec. \$25 calls being bought \$0.65 to \$0.70

Zhihu (ZH) a \$4B content platform in China unusual activity today with 23,500 January \$7.50 puts being sold to open \$0.95 to \$0.65 seeing limited downside in shares

Sabre (SABR) with 25,000 January \$9/\$7 bull risk reversals opening for net credits

Himax (HIMX) spreads buying 4000 March \$15 calls and selling 2250 of the \$9 puts for net credit

Digital Turbine (APPS) opening sale 600 June \$45 puts for \$7

Smart Global (SGH) buyer 1950 Jan. \$50 puts \$1.65

Yext (YEXT) trade opens 2500 May \$10/\$7.5 bull risk reversals for \$0.75, earnings 12-2 and also recently large longer-dated opening put sale

Pinterest (PINS) buyer of 3000 January \$40 calls here rolling back \$45 strike

Telecom/Utilities

Charter (CHTR) with 300 January 2023 \$550 puts sold to open \$30 to \$28.50

AT&T (T) sweep buyer of 20,000 July \$23 calls \$1.31 to \$1.37 into lows

Disclaimer:

Not Investment Advice or Recommendation

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