



Sector Leaders

Housing

Energy

Transports

Stock Gainers

SNOW 12.5%

KR 12.2%

CLVT 9.3%

OKTA 8%

CFLT 7%

DAL 7.6%

Volatility Gainers

- VOD
- EGHT
- LUMN
- AUPH
- PLBY
- EDIT

High Call Volume

- IR
- J
- MDY
- AWK
- PING
- BILL

Bullish Options

- GE
- AWK
- GM
- CZR
- BILL
- HLT
- OPEN
- UBER
- CCJ
- QCOM
- ESTC
- DKS

Market Review: Stocks bounced overnight off support but the strength faded early with Europe trading very weak and then OPEC+ announced it would proceed with the January output increase which weighed on Energy. There was some strong buying support off that 4500 early with snapback moves in high growth Tech and travel/leisure spending groups. We saw Tech weaken early with a bit of a bear trap and then rebound while NYSE breadth was strong all morning. Energy saw a strong bounce, Banks were very strong with Housing, and Transports/Industrials led higher as well. The rally strengthened into midday with strong breadth, the 4500 round number and 50% retrace holding as key support, and we rallied back above the 1-month VWAP. We get an active session to end the week with ISM Services and the Jobs Report.

S&P Chart:



Resistance	Support
4675	4530
4720	4500
4880	4440

Options Action Trends: We saw a lot of mixed action, some bullish action in Hotels again with **MAR, HLT, CZR** while Industrials saw rolls to January calls from December calls, but overall a lighter day without any major themes.

What's On Tap: Jobs Report, Factory Orders and ISM Services.

Trade Tracker Portfolio Changes:

- 1) Spotlight: Long **OXY** February \$30 Calls \$2.50

Sector Laggards

Gold

Semi's

Bonds

Stock Losers

AI -15%

ESTC -13.7%

NCNO -12%

NVAX -9%

UPST -8%

MTRR -7%

Volatility Losers

- COUP
- AZN
- RCL
- TOL
- EH
- BIIB

High Put Volume

- ZUMZ
- ELAN
- DUOL
- EGHT
- GDDY
- TGTX

Bearish Options

- SNOW
- CCL
- BYND
- RIVN
- BAC
- RUN
- RVNC
- KSS
- PLTR
- AFRM
- CFX
- IGT



FEATURED OPTIONS RADAR REPORT



Large Call Buy in Large Cap Healthcare Breaking Up to Create Value

Ticker/Price: JNJ (\$158)

Johnson & Johnson (JNJ) late day action on 12/1 bought 7000 February \$165 calls \$3.60 to \$3.80 to open. JNJ has also seen 1800 January 2024 \$155 calls bought and buyers in June 2022 \$150 and \$155 calls. JNJ shares have broken down under multi-month low support this week and touched a 50% retracement of the late 2020 low to 2021 high at \$156.90 and retested a major range breakout from December 2020. JNJ needs to clear \$165.50 on a weekly close to sustain a trend move higher. JNJ will be presenting at ASH in two weeks and is also testing its vaccine on the new COVID variant. JNJ is a leading Healthcare company operating in three segments: Consumer Health, Pharmaceutical and Medical Devices. Last month the company announced plans to separate the consumer health business within 18-24 months. JNJ's pharmaceutical unit focuses on Immunology, Infectious Disease, Neuroscience, Oncology, Cardiovascular and Pulmonary Hypertension. The medical device unit has a broad range of products in Interventional Solutions, Orthopedics, Surgery, and Vision fields. JNJ has a market cap of \$415B and trades 15.2X Earnings, 4.5X Sales and 35.9X FCF with a 2.7% yield. Forecasts see steady 3-4% topline growth the next few years. J&J projects its Pharmaceuticals business to achieve at least 5%+ CAGR through 2025, reaching ~\$60B revenue, including 14 novel therapies with \$1B+ peak non-risk adjusted sales potential, five with \$5B+ potential. The 5 products with \$5B+ potential are cilta-cel (BCMA CAR-T) for multiple myeloma, amivantamab + lazertinib for NSCLC, TARIS platform for bladder cancer, nipocalimab (anti-FcRn) for autoantibody-driven diseases, and milvexian for thrombosis. Analysts have an average target of \$187 with short interest low at 0.6% of the float. CSFB has an Outperform rating and \$200 target recently noting positive intra-quarter checks in the Pharma segment.

Hawk Vision:



Hawk's Perspective: JNJ is a value with a clear catalyst, though far into the future before completed, and like many names in this tape need to see some positive price-action and better patterns develop.

Confidence Ranking: \$\$



FEATURED OPTIONS RADAR REPORT



Calls Adjust in Cheap Valuation Annuity Leader

Ticker/Price: BHF (\$46.99)

Brighthouse Financial (BHF) with a buyer of 5000 February \$55 calls for \$2.20 to open on 12/1 as the \$60 calls adjusted back after previously adjusting back from the \$65 strike. The action came as shares moved to multi-week lows but running right into the rising 200-day moving average at \$46.65 and also a major VPOC area of support near \$45.65.

BHF provides life insurance and annuity products in the US and was spun out of MetLife in 2017 with a variety of variable, fixed, index-linked and income annuities designed to address contract holders' needs for protected wealth accumulation on a tax-deferred basis, wealth transfer and income security. BHF has a market cap of \$3.38B and trades 0.24X Book and 0.3X NAV with a 10.1% ROE. Investors are focused on capital allocation while BHF's investment income in Q3 exceeded expectations. BHF is a name that should benefit from rising equity markets and in a higher interest rate environment. Analysts have an average target of \$55 with short interest low at 2% of the float. RBC raised its target to \$55 after the quarter noting the shield level annuity sales continue to see strong growth. BHF is the #2 holding for Greenlight Capital. Einhorn sees the company significantly undervalued due to GAAP accounting noting while the hedges generate mark-to-market losses, there is not a corresponding reduction in GAAP liabilities.

Hawk Vision:



Hawk's Perspective: BHF is an unusual case and feels like eventually there is a value-unlocking event here but would like to see the shares base at the 200-MA.

Confidence Ranking: \$\$

Additional Options Flow

Market/ETFs

S&P (SPY) 3000 Dec. 23rd (W) \$450 calls sold to open \$12.30 to \$12.20 into early strength; also seeing 3500 Sep. \$365 puts bought for \$5M this morning

Treasury (TLT) large trade this morning selling 10,000 February \$161 calls to buy the \$148/\$142 put spreads. **Treasury (TLT)** with two large opening sales in December 2022 puts today, 10,000 of the \$140 for \$6.25 and 5000 of the \$135 for \$4.60

Corporate Bonds (LQD) with 5000 March \$131 puts opening \$2.12 today

Oil (USO) stock buyer also sells 4000 July \$42 puts for \$4.90 and 2000 July \$48 calls for \$7. USO also with 7500 Jan \$35 puts sold to open \$1.05 today

Ark Innovation (ARKK) rolling back over w/ Tech, the Dec. \$94 puts bought 5500X for \$3.65 this morning and 3000 Jan. \$96.96 puts opening as well \$7

Brazil (EWZ) with 15,000 February \$29 calls bought \$1.58 to \$1.64 against the \$24 puts sold in risk reversals

China Internet (KWEB) weak on delisting news with 10,000 Jan. 2023 \$30 puts opening as the \$40 puts adjust lower, but also buyers active 15,000 May \$52 calls \$2.65 into weakness

Russell (IWM) large buy-write today sold 17,550 Feb. \$235 calls for \$3.75

FinTech (FINX) with a rare large trade as 3000 January \$44/\$35 put spreads open with the Dec. \$46 puts adjusting

MSCI EAFE (EFA) with 11,000 March \$78/\$82 call spreads bought this afternoon

Consumer Goods

General Motors (GM) strong move early and a name that held strong retesting VPOC and the flag break seeing size buyers 4500 next week \$59 calls early. **GM** also now with 5000 Dec. 31st (W) \$70 calls sold to buy \$55 puts, may be collaring stock. **GM** also with buyers 2500 March \$65/\$80 call spreads this morning which looks like a nice bet

Beyond Meat (BYND) with 1900 February \$55 puts opening as January puts adjust

Rivian (RIVN) bear flow for second day with trader selling 1000 March \$130 calls to buy the \$100 puts

PVH (PVH) buyer 1000 Dec 100 calls \$4.35 trying to catch a bounce as positions adjust above

Adient (ADNT) with 1000 Dec. \$47 calls bought \$1.03 as the \$49 adjust back

Capri (CPRI) buyer 2500 next week \$62.5/\$68.5 call spreads as Dec. \$68 adjust

International Gaming (IGT) buyer 6000 January \$25 puts spread versus some \$20 puts as Dec. \$26 adjust

Ford (F) buyer 3000 June \$24 calls \$1.45 to \$1.48. **F** calls jump to 17K as a block of 14K is bought \$1.49 adjusting some Dec. \$18 calls

Consumer/Business Services

Caesar's (CZR) with 1000 March \$85 short puts opening for \$9.88 as the Dec. 31st (W) \$90 adjust. **CZR** also with 2000 Dec. 23rd (W) \$90 calls bought \$4.10 to \$4.30. **CZR** buyer 1000 March \$95 calls for \$7.57 as well adjusting the \$105 calls

Hilton (HLT) bouncing from its rising 200-MA and seeing 3000 January \$140/\$110 bull risk reversals open in early trade at \$5.10 debits

eBay (EBAY) buy-writes selling 4300 February \$67.5 calls for \$4.30 to \$4.25

Uber (UBER) Dec. 23rd (W) \$40 calls up to 7500X active with early buyers

Nordstrom (JWN) buyer 1375 Jan. 2023 \$15 ITM calls for \$7.20, will need to confirm OI change tomorrow

Dick's Sporting (DKS) with 6500 January \$125 calls bought \$4.90 into morning lows

Wynn (WYNN) with 920 June \$97.50 puts sold to open deep ITM at \$22.90 bids

Booking (BKNG) with 550 February \$2060/\$2050 bull put spreads opening

Unity (U) with 700 February \$170 calls bought \$10.70 to open, stock replacement

WeWork (WE) off lows with buyers active for 7500 March \$10 calls up to \$1.05 from \$0.80

Match (MTCH) with 2265 March \$105 puts sold to open for \$4.50

Roblox (RBLX) rising and has held above the rising 21-MA, the Jan. 2023 \$140 calls up to 2350X this morning with buyers \$28.50 up to \$30 and higher

Disney (DIS) April \$150/\$180 call ratio trades 1000X2000

Las Vegas Sands (LVS) flagging intraday after rallying off lows, the February \$37 calls opening 7500X at \$2.77 against the \$50 calls as Jan. \$40 adjust

MGM rising after 10,000 Dec. 31st (W) \$42/\$48 call spreads bought to open

Sabre (SABR) spreads selling 5000 April \$7 puts and buying the \$9/\$12 call spreads

Live Nation (LYV) afternoon buyer 700 March \$110 calls \$11.10

Energy

Pioneer Natural (PXD) with 1120 March \$190 calls being bought \$9.20 to \$10 to open

Cameco (CCJ) opening sale 1500 March \$21 puts for \$2.20, also seeing 10,500 Mar \$30 calls bought \$1.27 as the \$34 adjust back.

SunRun (RUN) with 5000 Dec. \$40 puts opening this morning as the \$45 adjusted lower

Occidental Petro (OXY) opening sale 6000 Jan. 7th (W) \$27 puts for \$1.20

MRC Global (MRC) shares jump as 10,000 March \$7.50 puts are sold to open \$1.05/\$1.10 ITM

Financials

OpenDoor (OPEN) with 8000 January \$16 calls bought for \$1.30 in aggressive sweeps

Bank America (BAC) seeing 6000 May \$42 puts bought into strength this morning near \$2.60

Blackstone (BX) with 3500 January \$125 puts being sold to open for \$3.15. **BX** now a buyer of 1600 March \$130 puts for \$7.45 offer, aggressive on wide bid-ask

Lincoln National (LNC) opening seller 1000 October \$55 puts for \$5.60

Apollo (APO) with 1475 February \$75 calls bought \$4.03 to \$4.10

Affirm (AFRM) buyer 1650 Jan. 2023 \$65 puts for \$7.60

Service Properties (SVC) strong hammer reversal and unusual 4000 March \$10 calls are bought \$0.60 to \$0.65. SVC is a \$1.38B hotel REIT, a space seeing plenty of consolidation

PayPal (PYPL) sale to open 2076 September 2022 \$150 puts for \$10.15. **PYPL** also 1000 September \$185 calls opening \$26.33 to \$26.67

Western Union (WU) jumped with IV surge earlier as 3000 Jan. \$18 calls were bought \$0.50 to \$0.55

Upstart (UPST) sale to open 500 January 2023 \$150 puts for \$46.50, also sells 250 of the \$290 calls \$37.20

Jones LaSalle (JLL) seeing January \$250 calls open 1420X as Dec. \$260 adjust, paying \$8.90

Healthcare

Moderna (MRNA) buyers active 1500 next week \$330 calls early \$7.60 to \$7.85

Medical Properties (MPW) with 1750 January \$21 calls bought \$0.60 to \$0.80. **MPW** also with 1050 Jan. 2023 \$22 puts sold to open \$3.30 today

Biogen (BIIB) buyer 320 July \$250 calls for \$23.90 to \$24

Viatrix (VTRS) with 15,000 January \$12.50 calls bought \$0.65 as the \$15 look to adjust back

TelaDoc (TDOC) working off lows with spreads buying 1000 June \$95 calls and selling 2500 of the \$75 puts to open

Align (ALGN) large buy 3000 February \$640 calls for \$45.85 as the \$660 adjust back, bouncing hard off VPOC here

BioHaven (BHVN) rips off lows as 1000 April \$80 puts sell \$4 to buy 1000 of the \$115/\$140 call spreads at \$8.50

Bausch (BHC) buyer 12,500 April \$27 calls for \$1.46

Vertex (VRTX) buy-writes selling 750 July \$240 calls near \$11.40

Industrials

General Electric (GE) with 1000 January \$125 calls being bought early to open \$4.40 with the Co. set to break up. **GE** also a buyer 1000 Dec. 31st (W) \$99 calls for \$1.96

American Air (AAL) with 2500 June \$14 puts sold to open for \$1.50

Parker Hannifin (PH) with 600 Jan. \$310 calls opening \$9.73 adjusting Dec. \$320

Textron (TXT) buyer of 1000 January \$75 calls for \$2.50 with Industrials strong

Regal Rexnord (RRX) unusual 1000 January \$165 calls opening \$5.75 as Dec. calls adjust

Colfax (CFX) with 5000 January \$45 puts opening against the \$40 puts as \$47.50 adjust

ITT Corp (ITT) buy-write sells 1000 Jan \$100 calls \$2.30

Heico (HEI) quality name with 200-MA bounce seeing 500 January \$140 calls bought \$7.20 to \$7.30 to open

Delta (DAL) with 8000 Dec. \$37 calls opening \$1.47 mid-market, IV indicates opening sale

Materials

Barrick (GOLD) opening sale 1100 September \$17 puts for \$1.62

Methanex (MEOH) with 1000 January \$40 ITM puts sold to open for \$2.90

Osisko Royalty (OR) with 1500 Dec. \$10 ITM calls opening \$1.20 this morning

Tech

Alibaba (BABA) seeing 1150 February \$115 calls open \$17.45 to \$17.95 this morning

Amazon (AMZN) with 1000 Dec. 31st (W) \$3400 calls opening as the \$3500 adjust back

Elastic (ESTC) down 15% on earnings and 1500 Dec. \$125 calls bought \$4.40 against the \$140 calls as spreads adjust. **ESTC** now with 2300 Dec. \$120 calls opening \$3.85 as well **ESTC** two size Dec call buys into weakness, back to VWAP off Mar. 2020 low and potential trend support and down to 12.7X EV/Sales. **ESTC** already seeing Dec. \$120 calls adjust to 1500 Jan \$125 calls

Bill.com (BILL) large open of 5000 May \$280 calls for \$38 as the \$320 calls adjust

Blend Labs (BLND) on new lows and IV drops with 2000 May \$10 puts sold to open for \$2.05, a \$2.5B financial software Co.

Teradyne (TER) with 1000 January \$125 puts sold to open \$2.19 into early dip

Snowflake (SNOW) buyer 500 January \$325 puts \$21.70 as starts to break morning low

TI (TXN) with 1150 March \$210/\$180 strangles sold to open today for \$12

Qualcomm (QCOM) buyer 1350 Jan. 2024 \$240 OTM calls \$16.70 offer

Atlassian (TEAM) with 800 January \$320 puts sold to open \$8.80

Cisco (CSCO) stock replacement bought 4000 June \$57.5 calls for \$3.50

Facebook (FB) with 5000 Dec. 23rd (W) \$300/\$310 call spreads opening

J-Frog (FROG) opening sale 1450 March \$25 puts for \$1.75

Apple (AAPL) to highs trading 120,000 Dec. 31st (W) \$160/\$170 call spreads into morning weakness

Palo Alto (PANW) with 17000 January 2024 \$500 puts sold to open \$74.28 as the \$250 adjust

Pinduoduo (PDD) opening sale 1000 February \$55 puts for \$5.55

Tower Semi (TSEM) on the move with 1500 January \$40 calls bought \$1.30

Snowflake (SNOW) up 14.5% nearing highs and 4000 Jan. \$380/\$430 call spreads are bought for \$11.80

Palantir (PLTR) buyer 2500 September \$27 puts for \$9.30 adjusting the \$25 strike

NetApp (NTAP) seeing 1000 March \$85 puts open near \$5 into post-earnings strength

Kulicke and Soffa (KLIC) with 525 July \$50 ITM calls bought \$13.17 to \$13.40, coiled chart basing along 200-MA

VMware (VMW) earlier with 500 April \$125 calls bought \$7.30 to \$7.40

Mongo-DB (MDB) seeing 475 February \$610/\$345 bull risk reversals open

Telecom/Utilities

American Water Works (AWK) buyers of 1000 Dec. \$170 calls early

AT&T (T) with 5000 Apr. \$23 calls opening \$1.39 as it rallies off lows, adjusting Jan \$25

Disclaimer:

Not Investment Advice or Recommendation

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