



Sector Leaders

Gold

Energy

Bonds

Stock Gainers

GLBE 21%

MASI 11.6%

TNET 10.1%

DASH 8%

RS 6.75%

GPK 6.5%

Volatility Gainers

- AMPL
- OWL
- ATGE
- DWAC
- OSTK
- LOGI

High Call Volume

- PXD
- IFF
- WMB
- MRVL
- -
- -

Bullish Options

- LYV
- LVS
- PXD
- BTU
- MRVL
- OWL
- GRMN
- SE
- SNOW
- MSFT
- MGM
- KSS

Market Review: Stocks were mixed in pre-market trade with eyes remaining focused on the Russia/Ukraine situation before we see risk-on activity while Japan exports came in very soft and continue to see some signs of a Macro slowdown. In morning data Philly Fed missed estimates while jobless claims exceeded estimates. Futures rebounded into the open on headlines showing a willingness of Russia to back-down but then escalatory headlines also hit the wires. It was a risk-off day with gains led by precious metals, energy and Bonds. Tech was hit the hardest along with Biotech and Housing. The S&P failed at that convergence of the 8/21/200 day moving averages and also moved back below VWAP from the lows. Fed Speakers and Russia news will remain in focus as we head to February OpEx tomorrow and into a three-day Holiday weekend where the market continue to say risk-off as headwinds continue to mount.

S&P Chart:



Resistance	Support
4500	4400
4590	4350
4630	4300

Options Action Trends: Call buyers continued to favor leisure plays like LVS, MGM, LYV.

What's On Tap: Home Sales and Fed Speakers. Earnings from DE, DKNG, LBTYA, ARNC.

Trade Tracker Portfolio Changes:

- 1) Spotlight: Long CVNA March \$130/\$120 Put Spreads at \$3.75

Sector Laggards

Software

Semiconductors

Biotech

Stock Losers

AMPL -52%

FSLY -30%

ATUS -22%

ALB -18%

TRUP -17%

PAY -13.5%

Volatility Losers

- SAGE
- VCRA
- CAKE
- FSR
- NVDA
- SPWR

High Put Volume

- ATGE
- ITB
- HTA
- SNBR
- BLMN
- CNK

Bearish Options

- DASH
- AMD
- ON
- ATGE
- F
- TSLA
- ROKU
- MMM
- RSX
- CNK
- DRI
- JWN



FEATURED OPTIONS RADAR REPORT



Large Call Spread Sees Upside in Diagnostics Leader

Ticker/Price: ILMN (\$333.85)

Illumina (ILMN) seeing some bullish activity with 1250 June \$400/\$500 call spreads bought to open on 2/14 after 400 June 2023 \$450 calls bought for \$1.9M on 2/9 and 1000 January \$350 short puts remain in open interest. ILMN shares are down 10% YTD near the lower edge of a falling wedge pattern and currently under all major moving averages but the recent low tested a major long-term VPOC and weekly RSI showing a bullish divergence while MACD has also improved. ILMN would need to clear the \$410 level to break out of the falling wedge pattern. ILMN is the global leader in sequencing- and array-based solutions for genetic and genomic analysis. ILMN customers include leading genomic research centers, academic institutions, government laboratories, and hospitals, as well as pharmaceutical, biotechnology, commercial molecular diagnostic laboratories, and consumer genomics companies. ILMN has a market cap of \$58B and trades at a premium valuation of 64X Earnings, 50X EBITDA and 10X EV/Sales with a forward three-year revenue CAGR near 18% and EBITDA around 15%. Longer-term, a favorable view of ILMN's key end markets, tailwinds in place for its flagship platform from a multiyear upgrade cycle, an embedded call option around future product cycles, and reimbursement momentum for NGS-based diagnostic tests make ILMN's base business one of the best secular growth stories in the life sciences industry. However, shares have some major headwinds with key sequencing technology patents rolling off as competitive pressures mount and headline risk from its legal process to close its large acquisition of GRAIL. ILMN has put up strong numbers to start 2022 with it raising guidance and then beating estimates. ILMN will host a Fall Investor event later this year as a key catalyst. Analysts have an average target of \$400 with short interest low at 1.2% of the float. Piper recently raised its target to \$460 noting the earnings call validated its competitive positioning and sees it beating estimates throughout 2022. Stifel upgraded shares to Buy with a \$480 target on 1/18 into a compelling product cycle.

Hawk Vision:



Hawk's Perspective: ILMN remains richly valued and tough to get behind in the current environment but it is a profitable leader so waiting for more constructive price action to set up a stronger reward/risk trade.

Confidence Ranking: \$\$



FEATURED OPTIONS RADAR REPORT



Put Sales Expect Strong Trending Coal Producer to March Higher

Ticker/Price: BTU (\$17.50)

Analysis:

Peabody (BTU) with 5000 each of the April \$22, \$21 and \$20 ITM puts sold to open at \$5.70, \$4.80 and \$3.50 respectively. BTU had a buyer of 5,000 December \$17/\$25 call spreads on 2/14 while the March \$18 calls bought on 2/11. On 2/15, the April \$16 ITM calls were sold to open 4000X. Shares are consolidating in a small flag after gapping up on earnings last week and short-term momentum remains positive with the 8-EMA below near \$16. BTU is nearing a big weekly breakout above \$20 that has room up to \$27 and the prior breakdown zone. The \$1.83B company trades 10.35X earnings, 0.55X sales, and 3X cash. BTU is a leading producer of thermal coal for use primarily by electric utilities. BTU has been benefitting from mid-single digit growth in electricity demand while positioning for a higher mix of seaborne thermal and metallurgical coal to capture the significant rise in demand from Asia. They are also targeting significant debt reduction and cost-efficiency to improve the balance sheet as they shed laggard assets and invest in their higher-margin US thermal assets. BTU noted in late 2021 that they've seen notable imbalances in the supply of thermal coal despite demand surging higher and think this imbalance can help keep prices elevated. BTU also noted in February they continue to see strong demand from steel pricing and producers which will support better price realizations for met coal. Analysts have an average target for shares of \$20.50 with a Street High \$25. B. Riley raising estimates on 2/3 noting that met coal pricing has notched one pricing record after another in recent weeks and months, but the response from investors and industry alike has been one of relative silence and thinks investors will gravitate towards producers with strong operational performance and the willingness and ability to return capital to shareholders like Peabody. Short interest is 8%. Hedge fund ownership fell 10% last quarter. Elliott Management remains a top holder with 25.8M shares. BTU reached an agreement with the activist in 2020 that includes board seats as they help guide the company to unlock significant long-term value.

Hawk Vision:



Hawk's Perspective: BTU is in a strong near-term trend and would like to see it consolidate more before taking a run at the bigger breakout at \$20 but these put sales into the run are a vote of confidence

Confidence Ranking: \$\$



FEATURED OPTIONS RADAR REPORT



Call Spread Sees Continued Upside for Best-in-Class E&P

Ticker/Price: PXD (\$228.75)

Analysis:

Pioneer Natural (PXD) strong name lately and today seeing 4000 January 2023 \$240/\$280 call spreads bought to open for \$13.90, some May calls adjusting higher. PXD has seen some buyers recently in the May \$260 and \$270 calls. Shares opened quiet after earnings this morning but now back near the highs and looking to clear a bull flag above \$233 with room out to \$250 in the short-term. The long-term trend remains strong with \$295 the measured target above from the move off the 2020 lows. The \$52.5B company trades 10.5X earnings, 3.65X sales, and 15X FCF with a 1% yield. PXD has been reshuffling their portfolio through deals with Continental and others and enters 2022 as a more-focused play on the higher-margin Midland Basin. PXD is coming off a strong quarter with solid execution driving best-in-class margins and higher capital return while their budget outlook came in slightly lower than expected. PXD has some of the best acreage in the region and should continue to drive high returns with low leverage in the current oil environment. Analysts have an average target for shares of \$219 with a Street High \$266. Credit Suisse raising estimates today noting that their 2022 capex budget of \$3.3B-\$3.6B is slightly better than consensus and in his view a solid guide considering some investor apprehension into the print that the budget could be over \$3.6B. TD Securities with a \$250 PT for shares noting that PXD continues to impress and room for further capital returns. Short interest is 2.45%. In November, a director bought \$2M in stock at \$188. Hedge fund ownership fell 2% last quarter.

Hawk Vision:



Hawk's Perspective: PXD is a best-in-class name setting up well for a breakout and continuation here but with spreads out into January, a name to focus on dips in this strong trend throughout the year

Confidence Ranking: \$\$

Additional Options Flow

Market/ETFs

Treasury (TLT) buyer 10,000 September \$139/\$147 call spreads for \$3.05, follows bull spreads yesterday, could help Tech if yields peel off highs. **TLT** also today a buyer 10,000 august \$148 calls for \$2.54

Healthcare (XLV) buyers of 3500 March 4th (W) \$127 puts \$1.09, aligns with all those Pharma put buys around same expiry

Ark Web 3.0 (ARKW) buyer 1000 March \$90/\$80 put spreads as Feb. 90 adjust

Russia (RSX) large buy of 6000 August \$25 puts \$3.60 into rally to day highs

Gold (GLD) buyer of 5600 March \$177 calls this morning \$3.30 adjusted the \$175 calls, also 5750 May \$187 calls opened \$2.56, and 5000 Sep. \$210 calls bought \$2.11

Russell (IWM) today with 8000 March 11th (W) \$190/\$170 put spreads bought and 5000 March 31st (Q) \$192/\$180 put spreads bought

Oil (USO) with 16,000 March 4th (W) \$67 calls bought with many spread versus the \$70 calls and also 15,000 March \$67 calls bought for \$3.6M

Oil & Gas (XES) with 3700 June \$60 calls opening today ITM

Consumer Goods

Garmin (GRMN) seeing 950 March \$115 calls bought today for \$4.66 as the \$120 calls from Monday adjust back in strikes. **GRMN** also seeing 1000 March \$115 puts sold to open for \$4.30

Lucid (LCID) buyers active today for 5,750 March \$33 calls for \$2.10 up to \$2.25 to open today with shares nearing a base breakout

Ford (F) with 25,000 September \$16 puts bought \$1.70 as June adjust

Mondelez (MDLZ) buyer of 700 January 2024 \$62.50 calls for \$9.80

Aptiv (APTIV) sale of 2000 May \$135 puts for \$7.10 as an adjustment out of February \$155 short puts

Peloton (PTON) with 2,900 May \$25 puts sold to open today for \$2.39

Vizio (VZIO) buyers active for 1,925 March \$13 calls for \$1.45 to \$1.50 into 3-3 earnings

Nordstrom (JWN) sharp IV rise as 7000 March \$20 puts are bought up to \$1.33, earnings 3-1

Croc's (CROX) ugly and 5000 April \$80/\$70 put spreads bought, stock has not been the same since the HEYDUDES deal

Bath & Body Works (BBWI) the April \$50 puts bought mid-day from \$2.86 to \$3.10 to open ahead of earnings on 2-23, over 5400X

Sleep Number (SNBR) with 700 March \$60 puts bought \$3.25 for earnings 2-23 with Feb. positions adjusting

Costco (COST) buyer 300 July \$470 puts up to \$18.25

Consumer/Business Services

DoorDash (DASH) into strength today seeing the April \$100/\$85 put spread open 1,500X3,000 for a \$0.50 net debit. **DASH** also seeing 1000 March \$110 puts bought up to \$10.50 to open today

Las Vegas Sands (LVS) another 5,000 March \$48/\$57.50 call spreads bought this morning for \$2.04 as some Feb. 25th (W) calls close and adjust higher. **LVS** afternoon buyers of 1600 September \$43 puts \$4.05 to \$4.15

Adtalem Global (ATGE) buyer of 5,000 August \$20 puts for \$2.65 as it breaks down

Penn Gaming (PENN) buyer 2000 April \$60 calls early for \$1.43. **PENN** also seeing 1100 March 11th (W) \$50 calls open

Live Nation (LYV) strong chart with early buyers 800 March \$125/\$145 call spreads for earnings 2-23. **LYV** also seeing 1,500 September \$105 puts sold for \$9.70 to open in a stock replacement

Penske (PAG) trades another 1000 August \$100 calls for \$11 into morning lows, will have to confirm OI tomorrow

Kohl's (KSS) with 7500 April \$62.5/\$72.5 call spreads opening as the \$65/\$75 adjust

Target (TGT) the May \$230 calls being bought 1200X for \$5.05 after Walmart's report today and into 3-1 earnings

MGM Resorts (MGM) with 5,000 April \$47/\$55 call spreads bought for \$1.65 as the April 1st (W) \$50 calls adjust

Royal Caribbean (RCL) buyers of 800 September \$75 puts bought up to \$7.55

Cinemark (CNK) buyers of 5000 February \$17.50 puts for \$0.15. **CNK** also with 4,700 March \$17.50 puts bought for \$1.05 to \$1.10 as the February puts up over 14,250X

Overstock (OSTK) bear flow with 1500 March \$40 puts being bought up to \$4.10, earnings 2-23, also seeing June calls sold

Roblox (RBLX) with 1800 January \$55 puts bought \$14.25 to \$14.75 this morning, will confirm how many add to open interest, a name that got crushed on weak results and remains steeply valued from a portability standpoint

Darden (DRI) with 1000 July \$130 puts bought for \$7.60/\$7.70 to open today with late March earnings. **DRI** also with 1250 April \$140 puts bought today for \$7.30

Academy Sports (ASO) buyer of 1000 March 4th (W) \$35 calls for \$1.57 as some \$37 calls adjust back

Paramount Global (PARA) buyer of 8000 February 25th (W) \$31/\$32.50 call spreads today for \$0.44

Trip.com (TCOM) with 1000 March \$30 puts sold to open \$1.70 to \$1.75

Expedia (EXPE) with the January 2024 \$210/\$110 put spread opening this afternoon 600X1200 for \$28. **EXPE** also with 600 June \$200 ITM calls bought \$27.40 to \$27.60

McDonalds (MCD) with 500 September \$220 puts sold to open today for \$6.80 in a stock replacement with the Icahn talk recently

Texas Roadhouse (TXRH) with 500 September \$80 calls bought today for \$14.60, ITM positioning

Groupon (GRPN) with 5000 March 11th (W) \$20 puts sold to open for \$0.45

Discovery (DISCA) buyer of 5000 March \$30/\$35 call spreads for \$1.36 with the \$22.50 puts sold to open for \$0.20

Energy

Halliburton (HAL) with an opening sale of 1000 July \$30 puts for \$2.30

BP PLC (BP) with 2000 June \$29 puts bought for \$1.34, tied to stock

Daqo New Energy (DQ) sellers today of more than 1000 March \$40 puts for \$3.10

Apache (APA) buyer 3000 March \$30 puts \$1.32

Cheniere (LNG) seller of 300 September \$110 puts for \$9.45 today in a stock replacement

First Solar (FSLR) buyer of 750 June \$75 calls for \$6.30 to open this afternoon, basing in a narrow range recently

Financials

Coinbase (COIN) buyer of 1000 March 4th (W) \$205 ITM calls for \$13.35 to \$14.25 today with earnings on 2-24. **Coinbase (COIN)** today with buyers of 800 May \$160 puts \$10.50 to \$11.73 while 500 September \$130 puts being sold to open \$9.80 to \$10

Square (SQ) opening sale 1200 June \$67.50 puts for \$3.05

Blue Owl (OWL) reported this morning and down 5% seeing buyers of 5000 March \$12.50 calls here for \$0.70. **OWL** now with 4000 August \$15 calls bought for \$0.80

Schwab (SCHW) opening sale 1000 January 2023 \$75 puts for \$6.10

Atlas (ATCO) buyer 4000 May \$17.50 calls for \$0.40 into downgrade weakness

Morgan Stanley (MS) buyer 400 January \$87.50 ITM calls \$17.05 to \$17.15

AmEx (AXP) with 675 September \$175 puts bought today for \$10.30 into strength

Simon Property (SPG) buyers of 1650 March \$140 calls up to \$8.80, REIT basing nicely on 200-MA last two weeks

Zillow (Z) with 1600 June \$80 calls sold \$3.30 in a buy-write

Bank America (BAC) buyer 2000 July \$45 puts for \$2.93

Visa (V) buyer of 2000 January \$240/\$280 call spreads for \$13.20 closes June \$230 calls 2000X

MasterCard (MA) similar trade with 1000 January \$400/\$450 call spreads with June \$360 adjusting

Citigroup (C) seeing 15,000 February \$55 ITM calls close from 1/20 buys and roll out to open the March \$60 calls for \$6.22

Fidelity Info (FIS) with 2700 April \$105 calls bought \$2.40 and selling 1950 of the \$90 puts \$2.10

Goldman (GS) opening seller this afternoon of 300 June 2023 \$320 puts for \$33.75

Morgan Stanley (MS) with 1000 January \$110 ITM puts sold to open today from \$20.60 to \$20.55

Healthcare

Horizon (HZNP) with another 2500 May \$100 calls sold to open today for \$6.40 to \$6.00, similar to yesterday's flow

Biogen (BIIB) with buyers of 500 October \$265 calls today for \$635K, the March \$220 calls from 2/3 adjust out. **Biogen (BIIB)** a beaten up Biotech with 500 March \$190 calls bought today for over \$1.25M as February adjust

Alcon (ALC) with 1275 April \$82.50 calls sold for \$1.36 today as the February \$85 short calls adjust

Merck (MRK) with 2875 July \$70 puts bought today \$2.42

Nektar (NKTR) with 1000 March \$9 puts being bought to open this morning for \$1.40 to \$1.45

Amedisys (AMED) with 600 March \$140 synthetic long spreads opening today as the February \$135/\$130 bull risk reversals adjust

Integra Life (IART) seeing some February puts close and adjust into 1225 March \$70/\$65 bear risk reversals into 2-23 earnings

Welltower (WELL) buyer 2500 March \$82.50 calls for \$2.30

Sarepta (SRPT) with 600 April \$80 calls sold to open this afternoon from \$6.50 to \$6.20

Industrials

Lockheed Martin (LMT) with 2,250 February 25th (W) \$385 puts bought up to \$4.70 today, tied to stock

3M (MMM) buyers active for nearly 2000 April \$145 puts today after the MSCO downgrade, weak chart. **3M Co (MMM)** buyers of the October \$165 calls 1000X for \$5.55 as the July \$175 calls opened on 1/31 adjust

Boeing (BA) sweep buyer of 1000 April \$210 puts \$10.95 offer

Pulte Homes (PHM) with 1200 April \$50 puts bought for \$4.20 today

CSX (CSX) another Rail name strong all week seeing 2250 June \$36.67 calls bought today \$1.54/\$1.55

TransDigm (TDG) with 200 May \$620 puts sold to open \$29

Union Pacific (UNP) strong chart and seeing 500 May \$230 puts sold to open for \$5.75

Materials

Freeport (FCX) buyers of 3,000 March \$43 puts today from \$2.16 to \$2.19

Newmont Mining (NEM) IV higher as 1650 August \$85 calls bought up to \$1.30. **NEM** now also with 800 August \$57.50 calls bought for \$10.75

US Steel (X) with 1000 March \$31 ITM puts sold to open for \$7 today as some Feb. short puts adjust out

Barrick (GOLD) with 20,000 March \$24 calls sold to open today around \$0.75 into the recent strength

Teck Resources (TECK) jumpy with 5,000 March \$36 puts sold to open today for \$2.05 to \$2

Vale SA (VALE) with 3000 June \$17 puts bought for \$2.12/\$2.13 to open today

Cliff's Natural (CLF) with 1000 May \$20 puts bought for \$2.67 this afternoon

Westrock (WRK) a value name holding strong with a cup and handle below the \$48 breakout level and 1500 April \$47.50 calls opening \$2.10 as February \$45 adjust

Peabody (BTU) now also seeing 10,000 December \$17/\$25 call spreads bought for \$2.55, spot where 5,000 opened recently

Tech

AppLovin (APP) strong bounce after the early weak move today and 1000 June \$40 puts sold to open \$2.05 to \$1.95

Sea (SE) buyer of 1000 March 11th (W) \$150/\$180 call spreads for \$6.75 to play 3-1 earnings as Feb. \$143 calls close. **SE** opening sale 400 September \$140 puts for \$26.35

ON Semi (ON) the September \$55 puts bought 2,000X for \$6.50 today

Marvell (MRVL) opening sale of 2,180 March \$55 puts for \$1.16 today. **Marvell (MRVL)** size buyers 4000 March 4th (W) \$71 calls \$4.25 to \$4.40. **MRVL** calls up to 7K and positions for earnings 3-3

Advanced Micro (AMD) with 5,000 June \$125 calls sold to buy the \$95 puts today for a net credit of \$4.30

Roku (ROKU) buyer of 1000 January \$95 OTM puts for \$11.45 to \$11.55, bear flag forming into its declining 55-MA. **Roku (ROKU)** late day trades into earnings opening 6500 April/May \$140 put calendar spreads

Microsoft (MSFT) Feb. 25th (W) \$297.5 calls being bought 2500X for \$4.35 this morning

Qualcomm (QCOM) stock replacement sells 1000 June \$175 puts for \$20.10

Zoom (ZM) buyer of 580 August \$125 calls \$28.80 to \$29.01 as March \$160 calls are sold. **Zoom (ZM)** weak on lows but seeing 1000 May \$120 puts sold to open \$12.85 to \$13 range

Monolithic Power (MPWR) into the recent run higher seeing 442 April \$510 calls sold to open for \$20.50

Snowflake (SNOW) with 1,500 March \$295 calls bought this morning from \$27.60 up to \$28.50 ahead of 3-2 earnings

Salesforce (CRM) weak today but seeing IV rise mid-morning with 1600 March \$200 calls bought from \$13.45 to \$13.60, earnings on 3-1

Alibaba (BABA) with 1200 July \$105 puts bought today near \$7.30

Elastic (ESTC) with April \$95/\$125 call spreads bought 3000X as the March call spreads adjust out another month

Analog Devices (ADI) with 1400 January \$150 deep ITM calls being sold to open \$27 to \$26.30

Samsara (IOT) on the lows of the day and 1000 March \$17.50 puts bought up to \$2

Facebook (FB) with 2,500 March 11th (W) \$205 calls bought this afternoon for \$13.95

NXP Semi (NXPI) buyer of 750 January \$170 puts today for \$19.30

Western Digital (WDC) relative strength and those March \$60 call sweeps turned into 7500X, good size flow

JD (JD) with 1200 May \$75 puts being sold to open \$7.20

Himax (HIMX) with 7000 March \$10 puts sold to open \$0.75 to \$0.65 into earnings weakness this morning

Corning (GLW) a name holding onto its earnings gains but seeing 1000 August \$41 puts bought \$3.42 to open

Synaptics (SYNA) a strong Semi posting great numbers with a buyer of 100 December \$200 calls today for \$60

Google (GOOGL) cracking below its 200-MA today but at the open a large opening sale of 500 September \$2250 puts for \$80.70

Twilio (TWLO) buyers of 950 April \$145 puts today for \$6.90 to open earlier

Oracle (ORCL) buyer of 700 July \$70 calls for \$9.75 to \$9.80 to open today

New Relic (NEWR) into weakness seeing 1000 July \$75/\$105 call spreads bought for \$5.10, adjusting out of 1500 February \$70 calls

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Communications/Utilities

Altice US (ATUS) down 20% today and large spread this morning sells 20,000 September \$14 calls for \$1 and buys the January \$15 calls for \$1.25

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Not Investment Advice or Recommendation

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