

OptionsHawk

OPTIONS HAWK DAILY MARKET 2/6/2020

Sector Leaders

Aerospace

Telecom

Software

Stock Gainers

UIS 42%

FSCT 19.2%

QNST 17.1%

VNET 16.8%

TWTR 16.8%

TGI 15%

MDP 14.7%

Volatility Gainers

- I
- NLOK
- CLVS
- GILD
- TSLA
- FOSL

High Call Volume

- ZNGA
- DXC
- GILD
- NSTG
- WWE
- CHNG

Bullish Options

- ENPH
- VOD
- ADSK
- GILD
- NLOK
- ESTC
- AAPL
- AMD
- TWOU
- LMT
- CCXI
- WU

Sector Laggards

Oil Services

Metals

Banks

Stock Losers

FNKO -38%

MTRX -33.5%

IO -25%

TBI -25%

PRSP -16%

SBH -12.4%

THR -11.7%

Volatility Losers

- FSCT
- GPRO
- IRBT
- GRUB
- PTON
- SONO

High Put Volume

- NTRS
- BREW
- CNG
- KALA
- PENN
- DQ

Bearish Options

- TEVA
- COUP
- MAT
- TXN
- NTRS
- IRBT
- PENN
- ZM
- TTD
- UAL
- DBX

Market Review: Stocks were higher overnight once again hitting record highs with China continuing to take actions to counter the impact of the coronavirus, and cutting Tariffs of \$75B of US goods. Macro data continues to falter with German Factory Orders showing weakness and China GDP likely to see a sharp drop. Software regained strength while Biotech, Retail, and Communications also showed upside. Banks, Energy and Metals were back to being laggards and Semiconductors also underperformed, a lot of laggards being driven by China concerns. The Jobs report in focus tomorrow as well as some more Tech earnings tonight, but overall the bull market rages on as the rising 13 week EMA held firm.

S&P Chart:



Resistance	Support
3,285	3,200
3,335	3,140
3,440	3,010

Options Action Trends:

What's On Tap: Jobs Report and Consumer Credit. Earnings from ABBV, CBOE, FE, AVTR, CAE, MSG, GOOS and HBI.

Trade Tracker Portfolio Changes:

- 1) **Spotlight:** Long the **DG** March \$160 Calls at \$4
- 2) **Spotlight:** Long the **PAAS** April \$22 Calls \$1.75 – No Fill
- 3) **Earnings Flow Trades:** Long **CBOE** March/June \$130 Calendar Call Spreads \$2.30; Long **SKX** February \$40/\$42 Call Spreads \$0.65
- 4) Closed **SONO** Call Spreads \$1.30 (Opened \$0.75)



Bull Takes a Shot in Kirby Bottoming

Ticker/Price: KEX (\$75.35)

Analysis:

Kirby (KEX) with an unusual trade on 2/5 as 1500 March \$75 calls bought to open up to \$2.95, a name that still has 2500 February \$85 and \$80 puts in open interest. KEX reported results on 1/30 missing expectations and guiding FY20 below the consensus citing significant uncertainty in oil & gas as well as manufacturing activity. On the selling pressure post-earnings KEX shares have moved to four year trend support and trying to hold above August 2019 lows near \$70. The \$4.55B operator of tank barges trades 17.85X Earnings, 11X EV/EBITDA, and with a 6.9% FCF yield. Forecasts currently see 7% EBITDA growth in 2020 and 11.5% growth in 2021. KEX operates in two segments, Marine Transportation with is 54% of Revenues and Distribution/Services which is 46%, the latter making oilfield service equipment and providing rental equipment in various industrial markets. The U.S. barge industry serves the inland waterways, U.S. coastal ports, Alaska and Hawaii. Kirby is principally in the liquid cargo transportation business with Petrochemicals and Chemicals 54%, Black Oil 23%, and Refined Petroleum 19%. It sees the US Ethylene capacity additions as a positive growth driver and Petrochemical production in the US with an 11.5% CAGR through 2022. Kirby is one of the largest distribution and services providers to the land-based oil services market, the leading provider of non-captive manufacturing and remanufacturing of oilfield equipment used in the hydraulic fracturing of shale formations. Analysts have an average target of \$85.50 on shares and short interest is elevated at 6.8% of the float but near a three-year low. Jefferies cut shares to Hold last week on underwhelming 2020 guidance, an \$85 target, noting D&S business remains weak due to ongoing equipment cannibalization and lack of new orders while the outlook for the marine business is slightly more subdued than previous expectations. BAML also cut to Neutral with an \$84 target, and sees KEX rebuilding a base-line the next few months and returning to growth in FY21. Stifel also cut to Hold but did note the potential KEX makes another material acquisition in the marine segment to drive shares higher. KEX announced a deal for Savage for \$278M last week, an inland tank barge fleet. Hedge Fund ownership was down 4.2% in Q3 filings, Samlyn Capital adding to a position while top concentrated holders include Atlanta Capital, Diamond Hill, King Luther, and Slate Path.

Hawk Vision:



Hawk's Perspective: KEX was an interesting name to research and has some attractive qualities, but its exposure to Energy makes it quite risky in the current environment and a tough name to trust.

Confidence Ranking: \$\$



DR Horton Bulls Active as Shares Rebound Off Key Support

Ticker/Price: DHI (\$59.65)

Analysis:

DR Horton (DHI) with buyers of more than 3,450 May \$60 calls up to \$3.15 and 675 May \$65 calls bought \$1.20/\$1.25 yesterday and still has 785 May \$55 calls in OI. Shares have been strong in 2020 and pulling back over the past week to the rising 20-MA where buyers stepped in aggressively yesterday. A move back above \$62 targets \$68/\$70 range for shares while major support below is around \$55 which aligns with the monthly breakout. The \$21.5B homebuilder trades 10.56X earnings and 1.2X sales with a 1.2% yield and mid-teens growth. DHI is targeting 5% to 7% revenue growth in both 2021 and 2022. DHI is coming off a strong quarter with better margins and cash flow than peers and consistently strong deliveries. They converted 95.2% of their backlog, better than guidance, while their transition to a more asset-light model is advancing quickly. DHI could use some of their cash in 2020 on tuck-in deals or capital return. Analysts have an average target for shares of \$56.50 with 11 buy ratings, 4 hold, and 3 sell. RBC positive on 1-28 with a \$55 PT as the company's position in entry-level and local scale markets will remain tailwinds and may also push price higher given that "affordable" housing supply remains tight. Raymond James upgrading to Outperform on 1-7 and uniquely well-suited to gain market share among entry-level homebuyers this spring. BAML with a \$70 PT and the best positioned homebuilder in their coverage given its size/scale, entry-level focus and Forestar (FOR) optionality. Short interest is 1.9% and down steadily since early 2019. Hedge fund ownership fell 17.5% in Q3. Egerton Capital, Long Pond, Lone Pine Capital, Eminence Capital, and Greenhaven notable owners.

Hawk Vision:



Hawk's Perspective: DHI remains a top tier homebuilder and though been more apt to playing favorite PHM, a nice candle to trade against as the Housing markets remain very strong.

Confidence Ranking: \$\$



Avadel Bull Spreads into Key Data

Ticker/Price: AVDL (\$7)

Analysis:

Avadel Pharmaceuticals (AVDL) traded 20X average calls yesterday with buyers of near 10,000 June \$7.50/\$15 call spreads for \$1.70. The June \$5 calls were also bought 2,350X for \$3.20 in a stock replacement and follows 1,000 December \$5 calls bought on 1-31 for \$3.70. AVDL has also seen a lot of insider buying since November with directors and the CEO adding over 65,000 shares between \$5 and \$6. Shares have traded strong since September up from around \$2-\$3 to the recent high near \$8.25 and pulling back to the rising 50-day MA and cloud support this week. MACD has reset back around zero while RSI is around 50 and potential for a strong move to the upside that targets \$11. The \$262.5M biotech trades 3.8X sales and 3.6X cash. They have five approved drugs since 2013 in hypotension and other indications but their current focus is sleep medicine. AVDL has a Phase 3 in Q2 for FT218 for the treatment of excessive daytime sleepiness and cataplexy in patients suffering from narcolepsy. The treatment is a once-nightly sodium oxybate treatment that is looking to prove clinically superior to the current SoC which requires multiple doses produced by **Jazz Pharma (JAZZ)**. The current treatment is a burden on their quality of life and only 9% of patients are given the 2X dosage as a first line therapy. A majority are also non-compliant. The total market for a one-time sodium oxybate formulation is estimated to be \$1.7B. Narcolepsy impacts around 200,000 Americans and only 25% are receiving treatment. Analysts have an average target for shares of \$9 with limited coverage. Craig Hallum with a \$15 PT and Buy rating on 1-30. Assuming the safety and efficacy profile of FT218 is borne out in Phase 3 data and an eventual FDA approval, the analyst anticipates swift market penetration given the inherent and obvious advantage he sees in 1-time dosing over a 2-times/night dose for patients who are already afflicted by sleep disorders. Short interest is 17.8%. Hedge fund ownership rose 2.5% in Q3 with Broadfin Capital a notable holder with 3.1M shares.

Hawk Vision:



Hawk's Perspective: AVDL short interest up near new highs is a concern but Insider buying adds some confidence here and a very interesting small cap biotech, the call spreads an effective way to participate.

Confidence Ranking: \$\$



Western Union Bullish Activity on Intriguing Turnaround Story

Ticker/Price: WU (\$27.95)

Analysis:

Western Union (WU) with 3800 March \$28 calls being bought \$1.01 to \$1.10, a name with more than 7500 combined calls bought in the May \$28, \$29, and \$30 strikes from activity in November/December 2019. WU does have some size puts bought in February OI and will report 2-11. It was a technical chart highlight this morning with shares working out of a large weekly bull flag after a strong trend move in 2019 for the name thought of as old-technology. WU shares have closed higher the last two reports after being lower the previous 5. WU announced a new strategy last August and in October expanded into Asia. The \$12B money movement and payment services Co. trades 14.2X Earnings, 2.23X Sales and 10.6X EBITDA. Forecasts see EBITDA rising 5.4% in 2020, best since 2011 and EPS by 11%.

WU was late to the digital push but has been increasing its presence for WesternUnion.com and has a built-in distribution advantage with 550,000+ retail agent locations around the world. WU also has advantages with its brand name and trust across 200 countries. It pledged at the Investor Day to return capital and targets 23% operating margins by 2022. Analysts have an average atgrte of \$25 on shares and short interest is high at 15.6% of the float and rising 16% Q/Q. CSFB recently started coverage Underperform with a \$26 target while BTIG raised its target to \$31 on 12/18 positive on revenue and earnings prospects with new initiatives as well as operating margin expansion. Hedge Fund ownership rose more than 8% in Q3 filings.

Hawk Vision:



Hawk's Perspective: WU has a beautiful set-up and like this under-followed story, though earnings coming soon, so a dip on results I think would be a good time to target May calls.

Confidence Ranking: \$\$



Archer Daniels Size Bullish Calls Bought into Consolidation Pattern

Ticker/Price: ADM (\$46)

Analysis:

Archer Daniels Midland (ADM) with buyers of 1,500 June \$46 calls up to \$2.07 to open and now volumes running over 4,400X and follows recent buyers in the February \$44 calls, January 2022 \$42 and \$45 calls, and June \$44 calls. The February \$47 calls bought over 8,000X on 1-3 remain in OI as well. Shares are flagging under the December highs after a strong run from the August lows and a move higher targets \$51 and the July 2018 peak. Shares are moving back above January value this week and potential early trend shift. The \$26.24B company trades 12.5X earnings and 0.41X sales with a 3.2% yield. ADM is forecasting high-single digit EPS growth and revenues up 1.5% to 2% the next two years with margin improvement as they execute on a major efficiency plan within their logistics and transportation business. ADM has been undergoing a big investment cycle and portfolio shift since 2014 across origination, processing, and specialty nutrition and now positioned with a more profitable and balanced revenue mix. They see major investments in tech like AI and machine learning giving them an edge in processing with higher production and lower costs that will help them withstand a weaker pricing market in the future. And they are positioned for some major thematic trends within food over the next 5-10 years like alternative proteins, health and wellness, and growth in premium pet food. Analysts have an average target for shares of \$47 with 5 buy ratings, 1 hold, and 1 sell. Monness Crespi downgrading to Sell on 1-9 with a \$38 PT. The firm thinks the optimism around Phase One is overdone and Ethanol margins have worsened. Stephens with a \$50 PT and Buy rating. They think shares have been under pressure due to investments in future growth but giving a solid entry as those businesses mature over the next 2-3 years and earnings power returns. Short interest is 1.9%. Hedge fund ownership fell 22.5% in Q3 but Diamond Hill Capital and Levin Capital two notable buyers. ADM saw a lot of insider buying in early 2019 including a \$2.5M buy from a director at \$41.85 and a \$1M buy from the CEO at \$42.

Hawk Vision:



Hawk's Perspective: ADM has a real nice set-up here and activity continues to bet on upside, a nice name in a tough Ag space.

Confidence Ranking: \$\$

Additional Options Flow

Market/ETFs

Semiconductor (SMH) with 4400 March \$138 puts opening for \$2.21 with February adjustments

NASDAQ (QQQ) seeing June \$230 puts and \$229 puts active 2775X and 3775X

S&P (SPY) with 10,000 June \$344 calls bought \$5.22 as 10K Mar \$320 calls close \$16.32. **SPY** also 3750 March 2021 \$285/\$280 bull put spreads opening. **SPY** May 2020 \$335 synthetic short opens 6000X this afternoon at \$0.108

Russell (IWM) with 12,000 May \$161/\$151 put spreads opening, also seeing 6000 June \$166 puts tied to stock. **IWM** with 24,000 Mar. 31st (Q) \$163 puts opening \$2.42 to \$2.43 midday, versus the \$155 puts, adjusting a \$158/\$149 spread

Junior Gold Miners (GDXJ) with 4000 January 2022 \$32 puts opening \$2.42

Brazil (EWZ) midday with buyers of 12,500 April \$46 calls to open \$1.50 offer, down 1.7% today

Consumer Discretionary/Services

Vodafone (VOD) with 1,450 April \$18 calls bought \$1.68 to \$1.75

AMC Entertainment (AMC) buyer of 2,500 September \$10 calls for \$0.60 into earnings on 2-27

Chipotle (CMG) stock buyer sold 100 January 2022 \$980 calls for \$100.10

Signet (SIG) buyer of 1,000 February \$25 calls for \$2.28 to \$2.29 as the 500 February \$24 calls bought yesterday roll up

Penn National (PENN) higher by 5% after earnings and 2,000 March \$33 puts bought for \$1.50, spread with sales of the \$30 puts 4,000X and may be trading against a long position. **PENN** buyer 500 July \$34 puts \$3.50 offer

RH Corp (RH) buyer 400 Feb 28th (W) \$220/\$230 call spreads with the \$240 calls sold as well

Tapestry (TPR) pulled in off highs intraday after results but seeing 3000 May \$30 calls bought \$1.85 to \$2.05 into an intraday base. **TPR** buy-write now with 1500 Aug \$30 calls at \$2.75

Chipotle (CMG) seeing 1500 Feb 14th (W) \$880 calls bought to open today

Stars Group (TSG) with 5,000 January \$22.50 calls bought \$3.20 to \$3.30. TSG shares back just above November value as well as the 23.6% Fibonacci of the recent move today

Target (TGT) with the January \$125/\$140 call spread bought 1,000X2,000 for \$0.45

Hilton (HLT) buyers of 2,650 February \$110 puts for \$2.05 to 2.25 into 2-11 earnings, saw bearish flow into **Marriott (MAR)** yesterday

Hanes (HBI) buyer of 9,000 March \$15 puts for \$1.30, tied to stock into earnings

L Brands (LB) trade sells 2000 May \$30 calls to buy the \$20 puts, may be protecting stock. **LB** now also seeing 10,000 February 28th (W) \$25 calls open for \$1.25 as the February \$22.50 calls roll

Gluu Mobile (GLUU) into strength a buyer of 5000 June \$8 puts \$1.05 to \$1.10. **GLUU** also with 4,500 February \$8 puts bought this afternoon into strength

Ulta Salon (ULTA) with 875 March \$275 puts opening \$10 to \$10.20 as shares are strong today but running into the 200 day MA

Take Two (TTWO) highs into earnings and up 5.35%, earlier the weekly \$132/\$115 bull risk reversals opened 1500X at \$1.20 debit

Canada Goose (GOOS) buyers of 1,400 February 14th (W) \$31 puts from \$1.65 to \$1.75 into earnings

Consumer Goods

Tyson (TSN) with 1,200 February \$80 calls bought up to \$2.50 into weakness. **TSN** April \$85 calls active into weakness today as well 3500X in \$1.80 to \$2.10 range

Mattel (MAT) sweep buyer 1850 February \$14 puts \$0.80 offer, earnings 2-13

I-Robot (IRBT) buyers of 1,600 June \$60 puts from \$9.50 to \$10.30 into the earnings move higher

Under Armour (UA) buyer of 2,000 February \$18 puts for \$1 into earnings on 2-11

Fossil (FOSL) seeing 1000 each of March and June \$5 ITM calls open today

Simply Good Foods (SMPL) buyer 1000 May \$25 calls \$1.45 to \$1.50 into weakness

Hasbro (HAS) opening sale 1000 April \$115 calls for \$2.05

Estee Lauder (EL) with 1,300 April \$185 puts sold to open \$1.40

Energy

Williams (WMB) with 1,000 August \$22 puts sold to open for \$2.02 to \$2 today

Denbury (DNR) with 5,000 January \$1 puts bought for \$0.35

Sun Run (RUN) with 3,000 January \$22/\$15 stock collars opening today as 2,500 May \$18 short calls close and adjust. **RUN** also with 4,000 February \$20 calls bought today \$0.45/\$0.50

Canadian Solar (CSIQ) buyer of the July \$24/\$28 call spread 500X1,500

Enphase (ENPH) with 1250 February \$42.50 calls bought \$1.75 to \$1.80 as well, today with 6000 of the \$45 calls bought this morning. **ENPH** also with 2600 May \$27.5 puts sold \$1.70 bid

EQT Corp (EQT) with 10,000 March \$6 calls opening \$0.50 as the \$7 calls adjust

Vermilion Energy (VET) IV rising this afternoon with 3000 February \$15 calls opening \$0.21 to \$0.40

Financials

Northern Trust (NTRS) buyer of the April \$100/\$95 put spread 2,200X for \$1.25

Cardlytics (CDLX) one of the hottest stocks the past year breaking out again today and rarely sees options trade, but 400 Mar \$120 calls bought up to \$2.50 today

Square (SQ) with 1,000 April \$75 puts sold to open for \$3.80, stock replacement and similar to yesterday in the \$80 puts

Simon Property (SPG) with 1,000 April \$145 puts opening \$7.90 as some \$130 puts roll back

Healthcare

Gilead (GILD) IV rising sharply with 4000 OTM Apr \$80 calls bought up to \$1.30. **GILD** buyers active for 3400 OTM March \$85 calls into weakness

NanoString (NSTG) buyer of the March \$30/\$35 call spread 500X1,000 for a \$0.95 debit, strong weekly setup and shares working off the rising 50-day today

ICU Medical (ICUI) with 260 April \$210/\$195 bull risk reversals opening \$11.70 debit

AbbVie (ABBV) buyer of stock sells 1,500 August \$87.50 calls to open for \$5.10. **ABBV** buyer 1000 May 87.5 calls today \$4 to \$4.05 into earnings tomorrow

Edward's (EW) buyer 225 March \$230 calls for \$10.70

ChemoCentryx (CCXI) with a buyer of 2,500 August \$55 calls for \$9.30 as 1,500 August \$36 calls close. **CCXI** also with 1500 May \$55 calls opening here for \$6

Kala Pharma (KALA) strong small cap Bio chart and 2000 April \$2.50 puts sold to open today \$0.425

Medtronic (MDT) buyers of 1,800 February \$121 calls up to \$2.19 to open into earnings on 2-18. **MDT** now with 3500 March \$120 synthetic long positions opening \$0.95

Pacira (PCRX) strong move today above 6 month VPOC and 300 August \$47.5 OTM calls bought to open \$5.18 to \$5.20

HCA Health (HCA) fading off the early highs with 800 January \$125 puts bought \$6.30

Regeneron (REGN) IV rising mid-day with 1,500 February \$420 calls bought \$2.95 to \$3.30

Teva Pharma (TEVA) with 13,500 June \$12 puts bought now for \$1.39 to \$1.44 to open

Pfizer (PFE) opening buy 5000 September \$40 calls \$1.12 offer

Health Innovation (HIIQ) strong rally today and 1000 May \$35 calls bought \$1.95 to \$2

PTC Therapeutic (PTCT) with 2000 June \$60 calls bought \$3.40 to \$3.60, strong recovery today, and spot where 3000 bought 2/3

Applied Genetic Tech (AGTC) weak today with 1,000 February \$10 puts bought \$3.90 to \$4.40 and into a gap from early January

Adaptive Bio (ADPT) with 400 July \$30 calls bought throughout the afternoon up to \$6.60 to open today, narrow multi-month base forming under \$33/\$34

Anthem (ANTM) with 1,000 March \$250 puts bought up to \$2.85, managed care likely remains volatile around the Democratic primaries and then Super Tuesday on 3/3

McKesson (MCK) buyers of 1,275 February \$150 puts for \$1.00 to \$1.20 into strength

Industrials

BorgWarner (BWA) with 2,500 March \$30 puts sold to open with shares weak recently after their **Delphi (DLPH)** deal

Tesla (TSLA) with over \$25M in call premium bought in the opening 50 minutes, most notable opening activity a buyer of 1000 April \$1200 calls for \$17. Some longer dated Jan \$620 and \$690 calls look to be taking profits.

General Electric (GE) opening sellers 3500 October \$13 puts \$1.34

DXC Tech (DXC) with the February \$37/\$42 call spread bought 1,000X2,000 ahead of earnings tonight. **DXC** call ratio spreads jump now to 10,000X20,000

Lockheed (LMT) starting to work out of a bull flag and 585 May \$460 calls bought near \$6 to open

Aecom (ACM) with buyers of 2000 March \$50 calls up to \$1.20. **ACM** now also with 500 March \$47.50 calls bought \$2.20. **ACM** on 1/13, Bloomberg reporting that rival WSP had approached Aecom about a potential deal. **ACM** Mar \$50 calls jump over 12,000X with 10,000 bought \$1.24, spread versus the \$55 calls

United Air (UAL) lowers with 4500 next week \$80 puts active w/ buyers, more virus headlines hurting the group. **UAL** opening buy 1000 June \$80 calls \$6.50 to \$6.55 into weakness today

Hub Group (HUBG) trade closes 3000 February \$50 puts and opens 1500 of the \$60/\$55 bear risk reversals, earnings tonight

Atlas Air (AAWW) sweep buy 570 January \$20 puts \$2.75 offer

Tesla (TSLA) fading late and buyer this afternoon of 1000 April \$665 puts \$64 to \$65

Materials

Bunge (BG) with 2500 July \$52.5 puts opening \$3.60 offer aggressively

Hecla Mining (HL) big move today with 14,000 September \$3.50 calls opening \$0.42

Tech and Telecom

Coupa (COUP) early buyers of 810 February \$160 puts up to \$7.40

Elastic NV (ESTC) buyers of near 500 August \$80 calls for \$5.30 to \$5.40 as shares continue to base. **ESTC** also seeing sweep buys 945 Mar \$80 OTM calls \$1.45

Autodesk (ADSK) buyer 200 July \$210 calls for \$15.65

Adobe (ADBE) with 525 March \$390 deep ITM puts being sold to open down to \$26.50

Apple (AAPL) buyer of 5000 July \$300 calls for \$35.25, \$17.25M, as Mar \$275 adjust

Alibaba (BABA) with 1000 deep ITM March \$240 puts opening near \$20.50

TI (TXN) buyer of 1500 March \$130 puts to open \$3.40 to \$3.45 in offer sweeps

Google (GOOG) buyers of 1,265 February \$1,500 calls from \$11.50 up to \$13 into the highs of the day

Advanced Micro (AMD) down 3% and calls active, the March \$47 calls with over 8000 bought into weakness up to \$3.75, the May \$48 calls with 4400X bought up to \$5.20

2U (TWOU) buyer of 2,000 July \$20 calls for \$5.10 into earnings tonight, being pushed to sell themselves

Trade Desk (TTD) with 350 Feb. 28th (W) \$310 ITM puts opening \$30.50, earnings 2-27

GDS Holdings (GDS) continues to draw bull flow with 1,000 March \$60 calls bought \$1.80 to open today

Paylocity (PCTY) with 400 March \$135 puts sold to open \$6.30 into weakness

AudioCodes (AUDC) with 1,000 September \$20 puts sold to buy the \$22.50/\$30 call spread today, popular strategy

Tencent Music (TME) move over 200 MA today and 5000 April \$15 calls bought \$0.55 to \$0.60 offer looking to add to 10K in OI

Trip Advisor (TRIP) with 3500 February \$27 puts bought up to \$0.85

Slack (WORK) with 3000 April \$22.50 calls bought \$2.70 offer midday, will confirm OI change but look to be adding as IV jumped

Expedia (EXPE) with 2,500 April \$115 calls sold to open \$5.40 to \$5.20

Qorvo (QRVO) opening buyers of 1,295 May \$110 puts for \$7.80

Lumentum (LITE) with 1200 Feb. 28th (W) \$85 calls bought \$5.90 to \$6.20 to open, strong follow through from a great earnings report

IBM trading a bunch of ex-div calls today, but also a buyer of 1000 January \$160 calls near \$9.20

Uber (UBER) trading 10,000 March \$34/\$30 put spreads into earnings, also seeing 1000 September \$34 puts sold to open today \$3.25 into earnings

Cognizant Tech (CTSH) with 1,500 March \$70/\$65 put spreads bought for \$1.15 into post-earnings strength

Anaplan (PLAN) with 1,475 March \$60 puts sold to open for \$4.60, stock replacement

Pinterest (PINS) sellers of 3000 January \$18 puts for \$2.25 today into earnings, earlier 1,500 of the May \$24 short puts opened

Ambarella (AMBA) making an afternoon move with 1000 March \$65 calls bought \$3.50 to open, early March earnings

MongoDB (MDB) opening sellers of 925 January \$100 puts from \$5.80 to \$5.40

Ring Central (RNG) buyer 600 next week \$200 puts to open for \$5.40 offer, earnings 2-10

Model-N (MODN) off lows today after 1000 March \$31 puts sold to open for \$1.15 seeing limited downside with shares testing support, and a retest of its December breakout level. **MODN** with the put sale earlier, interesting \$1.04B provider of cloud solutions for revenue management in life sciences and tech. MODN trades 6.7X EV/Sales and not with as explosive of growth as some Software peers, seeing 9-10% annual growth, while EPS seen ramping the next few years. Last November the CFO and COO both purchased stock. MODN has been expanding within the cloud and sees significant opportunities to expand within its customer base. Analysts have an average target of \$37 and short interest is low at 3.3% of the float. OpCo raised its target to \$40 in November more positive on the business and JP Morgan upgraded to Overweight on 12/12. MODN continues to migrate legacy customers over to the cloud.

Telaria (TLRA) opening sale 2500 July \$12.50 calls for \$1.10 into strength today

SkyWorks (SWKS) buyers of 1,000 February \$121 calls for \$1.25/\$1.30 this afternoon

Utility

Next-Era (NEE) buyer of 1000 March \$270 calls for \$5.93 as February calls adjust

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.