



Sector Leaders

Banks

Metals

Bonds

Stock Gainers

EPAM 15%

SGMS 13.5%

DDS 12.5%

JAZZ 12%

HPE 10%

LVS 9.8%

Volatility Gainers

- IOT
- NCNO
- MQ
- VSCO
- MNMT
- RIVN

High Call Volume

- PETQ
- IR
- OPRX
- PDCE
- TCOM
- FAST

Bullish Options

- MUR
- TSN
- CVX
- TCOM
- TSM
- SQ
- ZEN
- APA
- INTC
- ANF
- JWN
- TMHC

Market Review: Stocks were modestly higher overnight as markets continue to defend the 4300 level with talks of a 2nd round of peace talks for Ukraine/Russia and the State of the Union offered little surprise. In US data, ADP Employment came in very strong above expected though markets pulled in with the potential Fed implications. Stocks rallied in the opening thirty minutes above 1-week and 1-month VWAP/VPOC with the VIX pulling back in towards 30 with positive early breadth. Tech pulled back early but then Powell's comments on inflation/hikes provided a lift. Banks snapped back as a leading gainer and Casino/Gaming stood out as a real strong group while Semiconductors also gained strong. The safety trade in Gold and Bonds pulled back in. ISM Services in focus tomorrow while Ukraine/Russia talks likely to main driver of this news-driven tape. We saw some uncertainty come out of the market with the March Fed Meeting looking like a 25bps hike now.

S&P Chart:



Resistance	Support
4410	4300
4460	4225
4500	3940

Options Action Trends: It was a quiet open but late morning some size call buyers came into ANF, JWN in Retail.

What's On Tap: Jobless Claims, ISM Services and Factory Orders. Earnings from COST, AVGO, MRVL, BBY, BURL and others.

Trade Tracker Portfolio Changes:

- 1) No Changes

Sector Laggards

Solar

Bonds

Software

Stock Losers

CERT -13%

RIVN -12%

BEKE -11%

FSLR -10%

ATHM -7%

ASAN -7%

Volatility Losers

- UPST
- BAC
- AMD
- HPE
- OSTK
- NUAN

High Put Volume

- DCT
- HYFM
- FTAI
- QFIN
- DNUT
- WPM

Bearish Options

- LCID
- BX
- U
- SNOW
- BYND
- TGT
- KMX
- PTON
- SNAP
- CVNA
- MS
- LMND



FEATURED OPTIONS RADAR REPORT



Bull Spreads Position for Activist Battle Leading to Sale of Leading REIT

Ticker/Price: ACC (\$53.5)

American Campus Communities (ACC) has seen 10,000 June \$55/\$60 call spreads bought since mid-February in two large trades, unusual size for the company. ACC shares are -6% YTD and have based along the 55-week moving average and key volume support before heading higher last week while weekly MACD is near a bull cross and RSI above 53. ACC also with a Director purchasing \$520K of stock at \$52 in late January. ACC is the largest owner, manager and developer of student housing communities. ACC sees an addressable market of 6.9M students and currently its 113,000 beds represents a 1.5% market share while the other Top 25 owners have 490,000 combined beds, a highly fragmented market. ACC has been a strong operator with a fifteen-year NOI CAGR of 21% with 2.5% average rental rate growth and 97.5% occupancy before the pandemic disruption. American Campus has been in a battle with activist Land & Buildings who reportedly has indicated a willingness to buy the company at \$57/share. The activist has called for ACC to speed up asset sales, cut expenses, return capital to shareholders and explore strategic alternatives, including a sale of the company. ACC has a market cap of \$7.23B and trades 22X AFFO with a 3.5% dividend yield. Citi upgraded shares to Buy on 12/14 with a \$62 target. Goldman started shares at Buy in September with a \$57 target as a unique asset.

Hawk Vision:



Hawk's Perspective: ACC call spreads trade for \$1.90 which provides a solid risk/reward though the overall premium here in a deal scenario provides limited alternatives to trade the name as does the low liquidity.

Confidence Ranking: \$\$



Call Buyers Active in Small-Cap Homebuilder Undergoing Transformative Integration

Ticker/Price: TMHC (\$32.95)

Analysis:

Taylor Morrison Homes (TMHC) buyer of 2,500 April \$30 calls today for \$3.50 and also seeing 1225 July \$35 calls bought for \$2.25 to open, unusual volume in the small-cap. Shares pulled back to a key volume node from mid-2021 recently and putting in a strong reversal back above its key moving averages this week including an 8.5% move today. TMHC is clearing a big volume shelf above \$31 and through the recent highs has room to run to \$42. The \$3.5B company trades 3.5X earnings, 0.5X sales, and 9.85X FCF with mid-teens growth. TMHC designs and builds single-family and multi-family housing in the US with a focus on Arizona, Colorado, and Florida, hot destinations with the bigger secular migration trends. TMHC is coming off a strong quarter with 330 bps of margin expansion and a nearly 10% backlog growth while demand is being supported by move-up buyers and not first-time buyers which is helping drive a higher average closing price, up 23%. TMHC is nearing a major inflection point on the integration of William Lyon Homes and sees 2022 and 2023 as big years for capturing the advantages of their new scale and portfolio diversity given the underlying backdrop for housing. They're also streamlining operational processes to further enhance margins, drive profitability and time-to-close despite the tougher supply environment as they cut back their option book by 30% and introduce new design standards by mid-year. Analysts have an average target for shares of \$39 with a Street High \$45. B Riley with a \$40 PT and remains positive on the name noting that housing demand will remain positive given the historically low housing inventory and TMHC has several levers they can use to offset rising rates in the near-to-intermediate term. The firm thinks 2022 will be a solid year, too, with higher closings, selling prices, orders and selling communities. Short interest is 4%. Hedge fund ownership fell 4% last quarter. Lakewood Capital, Patient Capital, and Artemis Investment notable buyers.

Hawk Vision:



Hawk's Perspective: TMHC has run a lot recently and would look for it settle above this \$31 range but like the overall story and they should continue to see strong margins as their focus shifts into higher-price brackets

Confidence Ranking: \$\$



FEATURED OPTIONS RADAR REPORT



As the Business Mix Shifts Favorably, Calls Accumulate in Leading Lumber Stock

Ticker/Price: RFP (\$12.70)

Analysis:

Resolute Forest Products (RFP) buyer of the April \$10 calls for \$2.75 to \$2.80 today, more than 1000X, and has seen a lot of bullish flow recently including size in the March and April \$12.50 calls with the former over 9,500 and the latter over 5000X. RFP had a buyer of 11,250 January \$15 calls on 1/27 as well for \$2.6M while the July \$15 calls have over 5900 in OI from buyers on 1/27 for \$575K. Shares have been rangebound since mid-2021 and back near support now around \$11 with room back to \$14-\$15+ and then out to \$18. RFP has been in a strong longer-term trend since the pandemic lows and the recent weekly bull flag is consolidating just above a multi-year downtrend break. The \$955M company trades 4.5X earnings, 0.26X sales, and 8X cash. RFP is a forest products company with exposure to pulp, tissue, wood products and paper production and the leading Canadian producer of wood products east of the Rockies. They have exposure to products like newsprint, books, and mailers as well as, consumer products, lumber and more. RFP is benefitting from higher lumber prices which have more than doubled off the August lows. RFP has been shifting more focus towards wood products and pulp as demand for paper wanes and they see a significant opportunity to capitalize on housing demand with plenty of high-return projects in the pipeline. They have some of the largest-scale and capital-efficient operations in the region as well as significant harvesting rights in Canada that position them well to be a leader in the coming years. RFP has also been deleveraging the balance sheet and could pursue M&A to build out those higher-growth businesses. Analysts have an average target for shares of \$17.25 with a Street High \$19. CIBC upgrading recently to Outperformer citing a forecast for significant free cash flow generation in a stronger lumber market. Scotiabank positive on the name recently, as well, noting that the outlook for the U.S. housing market remains supportive of elevated oriented strand board and lumber demand which will give RFP better pricing power in 2022. Short interest is 2.5%. Hedge fund ownership fell modestly. Point72 a new buyer of stock. Insiders have been active in the name recently too including a director buying 13,300 shares in mid-February at \$11.80 to \$15.

Hawk Vision:



Hawk's Perspective: RFP is an interesting name and the call accumulation is unusual, I like the longer-term risk/reward and think they'll continue to benefit from a better pricing environment into 2H

Confidence Ranking: \$\$

Additional Options Flow

Market/ETFs

Russell (IWM) buyer of the August \$240/\$260 call spread today 2000X4000 for \$0.95

Junior Gold Miners (GDXJ) buyer of 6000 April \$48/\$55 call spreads

S&P Core (IVV) seeing 1800 September \$360 puts sell to open \$11 to \$10.70

S&P (SPY) with May \$365/\$345/\$325 put fly opening 10,000X20,000 for \$0.67

Energy Bull (ERX) spreads selling 5000 March 25th (W) \$50 calls and buying March \$49 calls at \$0.05

Uranium (URA) buyers of 11,000 April \$28 calls \$0.70 to \$0.80

High Yield (HYG) opening sale 10,000 September \$80 puts \$2.27

Consumer Goods

Target (TGT) buyers of 1,600 March 11th (W) \$222.50 calls for \$5.55 to \$5.60 and spread against the \$227.50 calls. **Target (TGT)** now also with 10,000 May \$150 puts bought for \$1.14 to open

Lucid (LCID) buyers 2000 April \$22 puts near \$2.30 as some March puts adjust

Coca Cola Europe (CCEP) unusual buy of 1500 March \$50 calls \$1.60 to \$1.75

Beyond-Meat (BYND) with 1470 September \$65 puts opening for over \$3.5M

Peloton (PTON) with 1350 May \$26 puts bought \$3.87 to \$4.13

Ford (F) buyer 9000 September \$23 calls for \$0.89 into strength

PVH Corp (PVH) the March \$90 calls being bought 1000X for \$6.10 today in a stock replacement

Victoria's Secret (VSCO) buyer of 1000 April \$60 calls here for \$2.50 to \$2.55

Altria (MO) with 5500 April \$57.50 calls bought \$0.21 to \$0.23 as March \$55 adjust

Goodyear Tire (GT) opening sales of the October \$12 puts for \$1.10, 2000X

Celsius (CELH) the April \$60 puts being sold to open this afternoon 550X for \$5.70

Turtle Beach (HEAR) buyers of the April \$26 calls mid-day for \$1.50 to \$2, over 5000X, with the long-standing takeover offer and earnings tonight

Kroger (KR) with 3700 each of the July \$36 and \$35 puts selling to open raising \$515K premium into earnings

Adient (ADNT) buyer earlier of 1000 March \$43 calls for \$1.30 to \$1.45, consolidation in the group recently

Consumer/Business Services

Melco (MLCO) another 3,000 March \$11 calls being bought today for \$0.55 to \$0.75

Vail (MTN) ahead of 3-14 earnings seeing a spread buy 520 March \$260 calls and sell 725 of the \$290 calls for \$1.30

Roku (ROKU) opening sale 2000 October \$100 puts for \$13.50

Trip.com (TCOM) buyers 4500 March \$28 calls \$1.43, size bullish OI in June already

Unity (U) sinking with 1500 weekly \$101 puts bought up to \$3.60

Carvana (CVNA) spread is selling the January \$200 calls near \$22.25 and buying the September \$135 puts for \$30.50, over 400X. **CVNA** also seeing some size April \$170 and May \$200 calls sold to open today

Carmax (KMX) seeing buyers of 1,250 April \$105 puts for \$7.95 to \$8 and spread with 1,750 of the \$85 puts sold for \$2.05

Abercrombie (ANF) down 16% and 2000 May \$25 calls come in to buy \$6.20 to \$6.70. **ANF** also with a buyer of 1275 May \$20 calls for \$10.50

Nordstrom (JWN) buyer 1000 July \$27.50 calls for \$3.70 as April adjust and also seeing buyers here aggressive for 1335 Oct. \$30 calls at \$3.85 offers

CarGuru (CARG) more bull flow today with 1,500 March \$44/\$50 call spreads bought for \$1.90

IAA (IAA) buyer of 4000 July \$40 calls today for \$2.95 to \$3.10, adjusting back the \$45 calls

Planet Fitness (PLNT) buyer 1000 March \$85/\$92.5 call spreads for \$2.40, basing on 200-MA

Airbnb (ABNB) with 700 September \$155 puts bought this afternoon for \$23.60, tied to stock

Bath & Bodyworks (BBWI) buyer of 2000 March \$52/\$46 put spreads for \$1.45

Bumble (BMBL) buyer of 4000 April \$22.50/\$17.50 put spreads today for \$1.67 as the March \$22.50 puts adjust

Energy

Murphy Oil (MUR) buyers of 1000 April \$35 calls for \$3.70 to \$4.10 with shares breaking out

Apache (APA) buyer of the April \$42.50/\$50 call spread today 1000X for \$1.45 into strength. **APA** also seeing 1000 January \$47.50 calls bought today from \$5.05 to \$5.20

Chevron (CVX) strength continues and early buyers in 1250 September \$175 calls and 1000 May \$180 calls. **CVX** now 5000 April \$145 puts bought \$3.50 offer

Exxon (XOM) buyer 1000 October \$72.50 puts at \$4.70 offer into highs. **XOM** opening sale 1000 Jan. 2024 \$80 puts for \$13.80

National Oilwell (NOV) sweep buyers 2500 April \$19 calls \$0.45

ONEOK (OKE) strong chart with buyers 1000 June \$72.5 calls \$2 to \$2.15

Occidental Petro (OXY) buyer 10,000 April \$52.5 calls \$2.75 and 10,000 May \$60 calls for \$2.15

Suncor (SU) buyer of 2,500 April \$34 calls today for \$0.75/\$0.80

Coterra (CTRA) buyers of 1500 July \$26 calls \$2.10 to \$2.15, natural gas name breaking out today

Conoco (COP) opening sale of 600 January 2024 \$92.50 puts this afternoon for \$16.75, around \$1M

Diamondback (FANG) with 1,500 June \$155 calls sold for \$9 in a buy-write today

Sun Run (RUN) with over 2000 April \$25 puts sold to open today \$2.65 to \$2.63

Marathon Petro (MPC) stock replacement opens 2050 Jan. 2024 \$90 calls for \$9.40

Financials

US Bancorp (USB) opening sale 1350 January \$62.50 calls for \$3.10

Block (SQ) buyer 1200 March \$124 calls \$7.55 to \$7.80 into early dip

NewRez (NRZ) opening sale 5000 April \$10 puts for \$0.45

Morgan Stanley (MS) buyer of 1,500 May \$87.50 puts today for \$6.40, spot where buyers active on 2/24 and with the ongoing federal investigation into their block trading business

Blackstone (BX) the April \$125 puts being bought 2650X today for \$6.40 to \$6.45 as the March \$125 puts from 1/28 adjust out. **BX** 600 April 8th (W) \$120 ITM calls bought \$13.65 to \$14

Citi (C) with 11,000 May \$65 calls bought today near \$1.50 as April adjusted

Lemonade (LMND) buyer of 900 June \$50 puts today for \$28.35 to open, adjusting some March puts out and also seeing the April \$15 OTM puts bought 2500X

UBS with 3000 April \$15 puts sold to open today with the recent weakness back to the 200-MA where shares have stabilized

Apollo (APO) with 1000 April \$62.50 puts bought today \$2.90 to \$3.70 range

Robinhood (HOOD) buyer of 4000 August \$11/\$13 call spreads today for \$0.75. **HOOD** also with 3,500 April \$11 puts bought for \$1.50 as the March \$12 puts adjust

MBIA (MBI) with 1000 August \$14 calls bought for \$2.25 to \$2.55 today into the 200-MA pullback, name where there has been M&A chatter

MFA Financial (MFA) with 30,000 April \$4 calls opening \$0.19 as the \$4.5 adjust back

East West Bancorp (EWBC) buyers of 775 April \$85 calls for \$4.80 to \$5.10

Comerica (CMA) buyers earlier of 850 April \$95 calls for \$4.30, holding up well near recent highs

Upstart (UPST) with 2000 May \$130 puts selling to open \$17.80 to \$17.50 and 2000 May \$125 puts selling to open \$16.80 to \$16.30

Healthcare

Gilead (GILD) with over 5,500 April \$52.50 puts sold to open today near \$0.85-\$0.90 into recent weakness

Novavax (NVAX) buyer of 600 March \$88 puts for \$11.25 today, tied to stock. **NVAX** also with 500 January \$125 calls sold for \$18.30 in a buy-write

Chemocentryx (CCXI) buyer of the May \$30/\$40 call spread this afternoon 1275X for \$1.40, spread with the May \$20 puts sold 1000X for \$1.76

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Industrials

Teekay Tanker (TNK) buyer of 1000 May \$15 calls for \$1.10, strong move recently and in a small flag

Deere (DE) buyer of the June \$370 calls 350X for \$26.65 to \$26.80 today into strength as it works back above the 50- and 200-MA

Boeing (BA) with 2000 April 8th (W) \$210/\$220 call spreads bought

AerCap (AER) the January \$45 puts being sold to open today 1500X from \$5.70 to \$5.30

Clean Harbors (CLH) highs of the day with 1000 April \$100 calls bought up to \$4, nice base forming under the 200-MA

Ingersoll Rand (IR) buyers of the March \$50 calls 2000X from \$2.05 to \$2.20 today, shares back at a big volume node from 2021

Delta (DAL) with over 3,250 June \$39 puts sold to open mid-day for \$4.20/\$4.25

Union Pacific (UNP) monster move today and looking to clear long consolidation seeing 2050 August \$265 calls bought \$11.10 to \$11.65, could benefit from crude by rail

Materials

Axalta (AXTA) buyer 1000 low Delta April \$28 calls for \$0.65 and **Huntsman (HUN)** with the 1285 April \$43 calls bought, two Chemical names often heard in M&A speculation

Pan American (PAAS) with 2,350 April \$26 calls bought today from \$1.45 to \$1.55, spread against the \$30 calls sold for \$0.45

US Steel (X) trading 3350 September \$28 calls with offer side buy flow and 3,228 in OI, will confirm OI tomorrow, also buyers active in the \$30 and \$32 calls

Schnitzer Steel (SCHN) buyers of 750 March \$45 calls for \$4.20 today as the \$40 calls adjust higher into strength

Teck Resources (TECK) with 3000 April \$40 calls bought \$1.90 as March adjust

Linde (LIN) buyers of 1750 October \$310 calls this afternoon for \$18.60 to \$19.80 to open into the recent pullback

Lyondell (LYB) with 1000 April \$100 calls sold for \$2.80 today in a buy-write

Tech

Workday (WDAY) the March 2023 \$230 puts being sold to open this morning 500X for \$30.10

Taiwan Semi (TSM) buyers of 1200 May \$115 calls \$5.75 offer, also a buyer 1300 Mar. \$117 calls for \$1.26

ST Micro (STM) July \$55 calls sold to open 13,500X at \$0.50

ZenDesk (ZEN) buyers of 1300 July \$120 calls at \$13.90 offer, higher out of consolidation with the ongoing M&A interest

Snowflake (SNOW) buyers of 1300 weekly \$247.50 puts up to \$14.20 into earnings

Snap (SNAP) size buyer 7000 June \$37 puts \$5.65 offer. **SNAP** also 1400 June \$41 puts bought \$8.10

DocuSign (DOCU) buyer of 425 April \$100 calls \$19.55 to \$19.90, also buyers of 840 May \$90 puts vs. long stock

Intel (INTC) buyers of more than 2,450 September \$47.50 calls today between \$4.70 and \$4.75. **INTC** a call-out in the SOTU last night with the CEO in attendance and the company ready to boost their investment in domestic manufacturing from \$20B to \$100B with federal government support

Apple (AAPL) opening sale 1000 March 2023 \$200 puts deep ITM for \$41.95

Palo Alto Networks (PANW) large opening sale of 300 January 2024 \$560 puts for \$97, over \$3M

Palantir (PLTR) with 5000 March 2023 \$10 puts sold to open for \$2.15

Datadog (DDOG) buyer of 1000X1250 June \$175/\$220 call spreads for \$10.18

Baidu (BIDU) buyer of 650 May \$165 calls at \$11.50 offer

CheckPoint (CHKP) into strength today seeing 500 August \$165 call sold to open for \$5.20

Oracle (ORCL) with 750 January 2024 \$90 ITM puts sold to open today for \$1.5M, adjusting the Sept. \$70 short puts from 9/9

Alibaba (BABA) with 1000 January 2024 \$50 deep ITM calls opening for \$60

Duck Creek (DCT) buyer of the October \$22.50 puts for \$3.40 to \$3.50 to open today as the April \$25 puts from 10/25 roll out

Applied Materials (AMAT) with 1500 January \$185/\$105 bull risk reversals trading for \$3.05 credit

Twitter (TWTR) opening sales of 3,500 May \$36 puts for \$4.35 today

IBM (IBM) seeing 10,000 June \$150 calls open for \$0.45, looks to be adjusting higher the \$140 short calls from recently

Micron (MU) buyers of 1200 March \$93 puts for \$4.20 to open today, follows some bear flow earlier this week

Broadcom (AVGO) with 425 Jan. 2024 \$340 puts sold to open \$23.60, earnings tomorrow night

Sea (SE) buyer of 750 April \$125 calls for \$9.25 to open today

Zuora (ZUO) buyer of 4000 March \$14 puts for \$0.55 into earnings tonight, lower four of the last six

Communications/Utilities

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