



MARKET RECAP REPORT 3/31/2021

Sector Leaders

Biotech

Software

Clean Energy

Stock Gainers

TISI 25%

CONN 20%

SUNW 17%

CLF 15%

TIGR 15%

CHPT 15%

Volatility Gainers

- UA
- CERT
- MARA
- SPCE
- APA
- DOX

High Call Volume

- BGCP
- NCTY
- UA
- MTG
- SUMO
- ETWO

Bullish Options

- UA
- ON
- DE
- FTCH
- BIGC
- SNAP
- FCEL
- BGCP
- TSM
- CLF
- NTR
- ACM

Market Review: Stocks were modestly higher pre-market with the Nasdaq leading strength ahead of the Infrastructure plan details while China economic data came in very strong. The ADP Employment number came in near consensus while the prior was revised higher. Chicago PMI also came in very strong in morning data as Macro continues to be robust. Pending Home Sales dropped over 10%, the impact of higher rates being seen. Tech led early strength though the S&P also traded up to record highs, the Nasdaq starting to work out of the right shoulder of an inverse H&S pattern. Banks, Transports & Industrials lagged, essentially the Q1 winners as portfolios adjust for Q2. Tomorrow kicks off Q2 with a good amount of data and likely further first of month positioning into the Holiday weekend. Price-action remains strong though some bearish RSI and NYSI divergences call for some caution into these highs, and profit taking, while we could see a broader rotation back to Tech where more opportunities are setting up.

S&P Chart:



Resistance	Support
3,950	3,900
4,000	3,880
4,140	3,830

Options Action Trends: Action was quiet without a lot of big trades as has been the case most of the week, a real lack of any put activity continued. Semiconductors seeing some bullish flow continue with **ON, TSM**.

What's On Tap: Jobless Claims, Construction Spending, PMI/ISM Reports and Fed Speakers.

Trade Tracker Portfolio Changes:

- 1) No Changes

Sector Laggards

Banks

Transports

Industrials

Stock Losers

NCTY -23%

RMO -18.5%

CLSN -16%

HGEN -15%

UI -12%

BB -9.5%

Volatility Losers

- HL
- RIG
- SEEL
- CONN
- BHC
- SRNE

High Put Volume

- WSM
- NTR
- ARMK
- TME
- MSOS
- FOSL

Bearish Options

- WFC
- F
- UNP
- AMD
- NCTY
- BGS
- DOX
- GSX
- AFRM
-



FEATURED OPTIONS RADAR REPORT



Bulls Position for TJX Co. Market Share Gains with Reopenings

Ticker/Price: TJX (\$66.5)

Analysis:

TJX Co. (TJX) on 3/30 traded 29,000 calls on the session, 7X daily average, the July \$67.5 calls in focus early with 2500 bought at \$3.25 and by the end of the day traded over 20,000 with a large late block at \$4.10. TJX has seen some smaller opening put sales across April weekly expirations lately and on 1/20 July \$67.5 puts sold to open 3000X at \$5.40 that remain in open interest. TJX ran up late in 2020 but has pulled back in 2020 forming a bull wedge on the weekly above the 2020 highs. TJX needs to clear \$68 as a key volume node to break out with a 138.2% extension target at \$77.50. The \$77.5B off-price retailer trades 22.5X Earnings, 2.4X Sales and 49.2X FCF with a 1.6% dividend yield.

TJX revenues are seen rising 32% in 2022 lapping easy comps in 2021 from store closures while 2023 seen at 8% growth with EPS growth of 637% and 27.5% respectively. TJX has long been a best-in-class operator withstanding the ecommerce competition via its treasure search business model. TJX should also be able to take market share. Analysts have an average target of \$76.50 and short interest is low at 1.3% of the float. Wells Fargo lowered its target to \$75 on 3/23 with a more conservative outlook on margins. Gordon Haskett also concerned with margins though sees it as a strong long-term story. AdWeek noted 12/22 that Overstock may look to partner with TJX. Hedge Fund ownership rose 3% in the latest quarter filings, Atlanta Capital a top holder.

Hawk Vision:



Hawk's Perspective: TJX is always a preferred brick-and-mortar retailer and looks ready for another run, these calls already running 25% intraday.

Confidence Ranking: \$\$



FEATURED OPTIONS RADAR REPORT



Unusual Spreads Position for Rebound in CEVA with Strength in Semiconductor Demand

Ticker/Price: CEVA (\$52.5)

Analysis:

CEVA (CEVA) seeing interesting activity this week with September \$40 puts being sold over 1000X to buy the \$55/\$65 call spreads with shares near \$52. CEVA also has some similar spreads in open interest for June with \$55 and \$50 puts sold. CEVA shares have pulled back 18% the past month after reaching a new high but bouncing at the 8-month moving average which lines up with a retest of the key volume level breakout from a major top in 2017 that shares cleared to start 2021. CEVA also bounced just above VWAP of the 2020 lows. A move above \$56.50 can inflect the trend back to bullish. CEVA is the leading licensor of wireless connectivity and smart sensing technologies. CEVA offers Digital Signal Processors, AI processors, wireless platforms and complementary software for sensor fusion, image enhancement, computer vision, voice input and artificial intelligence, all of which are key enabling technologies for a smarter, more connected world. CEVA partners with semiconductor companies and OEMs worldwide to create power-efficient, intelligent and connected devices for a range of end markets, including mobile, consumer, automotive, robotics, industrial and IoT. Its ultra-low-power IPs include comprehensive platforms comprised of specialized DSPs coupled with an AI and other types of accelerators targeted for low power workloads, including 5G baseband processing, intelligent vision, voice recognition, physical layer processing and sensor fusion. Given the “design gap,” as well as the increasing complexity and the unique skill set required to develop a system-on-chip, many semiconductor design and manufacturing companies increasingly choose to license proven intellectual property, such as processor cores (e.g. DSP, CPU, GPU and AI), specialized connectivity software algorithms like sensor fusion, sound, memory and physical IPs from silicon intellectual property (SIP) companies like CEVA rather than develop those technologies in-house. CEVA currently has a market cap of \$1.18B and trades 10X EV/Sales with revenues seen growing 6% in 2021 and 11% in 2022 after 11.9% and 15.1% growth the past two years. Analysts have an average target of \$80 and short interest is 2.9% of the float. Cowen raised its target to \$88 in February encouraged by diversifying revenue streams. Roth Capital raised its target to \$100 in February as a differentiated investments as a high-margin licensing and royalty play levered to growth across IoT, Connectivity, and Infrastructure applications.

Hawk Vision:



Hawk's Perspective: CEVA is one of the real strong small cap names not many follow, a very solid business, though one tough to value. The reward/risk looks solid at these levels and how these spreads are designed.

Confidence Ranking: \$\$



FEATURED OPTIONS RADAR REPORT



Carnival Bulls Position for Recovery Through the Summer

Ticker/Price: CCL (\$26)

Analysis:

Carnival Cruises (CCL) opening sellers 3000 October \$20 puts \$1.78 today and follows 5,000 March 2022 \$20 puts sold to open recently as well as the March \$17.50 puts sold and February \$15 puts sold. CCL has 10,000 June \$37.50 calls in open interest from buyers spread with the \$40 calls and also notable call open interest at the June \$30 strike from mid-February, over 17,000X. CCL is expected to have earnings soon, although always a late disclosure, and shares higher four of the last six. Shares have pulled back to the rising 50-MA this week as well as channel support off the January low. A move back above \$27 can work up to \$30.50+ and a breakout above recent highs with a big volume gap from 2020 remaining out to \$40. The \$29B company trades 5.2X sales and 3X cash with metrics expected to rebound across the board in 2021 as they resume bookings. CCL sees 20% growth in FY22 after they get back to regular sailing this year and earning about \$1.45/share in EPS. CCL has a number of tailwinds into the back-half of 2021 and 2022 as vaccinations become more widespread, restrictions on gatherings loosen, and consumer demand for travel surges. The company is positioned well for a robust consumer spending environment which likely allows them to raise prices in 2022 as they hit a more normalized schedule. The current CDC expectation is for cruises from the US to resume in November but CCL has International exposure which could come earlier, a positive catalyst. Analysts have an average target for shares of \$20.50 and a Street High \$42. Stifel positive last week noting that there's likely some confusion around CDC speak on resuming travel and the firm believes cruise operators will be able to conduct operations in North America before that original November 1 date. UBS upgrading to Buy on 3/18 noting that they should see a surge in demand as vaccinations become more widespread and 2023 estimates are too conservative. Short interest is 4.88% and down sharply from 16.5% at its peak last year. Hedge fund ownership jumped 95% in Q4, Rokos Capital a sizable call position and Candlestick Capital a new 3.4M share position. CCL saw lots of insider buying in 2020, most recently in October around \$14.

Hawk Vision:



Hawk's Perspective: CCL fits well with the theme of reopening / consumer plays outperforming in 2021 and they have a number of potential drivers to move shares higher throughout the Summer; shares set up well here on that rising 10-week MA but with earnings soon, more likely one to watch for a potential dip buy

Confidence Ranking: \$\$



FEATURED OPTIONS RADAR REPORT



Aecom Bull Adjusts Again Looking for More Upside Ahead of Infrastructure Plan

Ticker/Price: ACM (\$64.50)

Analysis:

Aecom (ACM) buyer 10,000 May \$65/\$72.5 call spreads for \$2.50, adjusts out of Apr. calls, and follows recent buyers in the June \$55/\$45 bull risk reversals for \$8. Shares have been climbing steady since September and broke out to all-time highs in February above \$52. Shares have a longer-term measured move to \$75 with \$60.50 near-term support. The \$9.4B company trades 20.8X earnings, 0.7X sales, and 22X FCF. ACM expects topline growth to accelerate in FY22 and FY23 with over \$4/share in earnings power over the next five years. ACM divested their Civil construction business in January and now positioned well as a pure-play consulting services firm with better margins, ROIC and opportunity for growth. They held an investor day in February and noted that many of their state clients are likely to see significant funding tailwinds from President Biden's infrastructure proposal while growth in miles traveled and higher state tax collections should drive projects on a local level too. Analysts have an average target for shares of \$55 with a Street High \$69 from Citi. The firm was out in January positive on the E&C space as the macro/political framework likely energizes most of the sector. They see drivers for ACM including Federal stimulus, potential for a significant replacement to the FAST Act, and rising oil prices. Short interest is 2.15% and near 10-year lows. Hedge fund ownership fell 8% in Q4, Toms Capital Investment a big owner of call options while Islet Management also owns calls. Starboard Value a longtime holder and board member as of November. ACM has seen some insider buying as well in the past year including most recently in August.

Hawk Vision:



Hawk's Perspective: ACM is a quality name making some smart moves lately and doesn't often give a big dip to get involved but a move back to \$60.50 would be ideal in a name positioned well as project spending ramps

Confidence Ranking: \$\$

Additional Options Flow

Market/ETFs

Biotech (XBI) with 4000 April \$133 puts opening as April 1st (W) adjust, also seeing 2200 May \$140 calls sell to open \$3.90

Nasdaq (QQQ) spreads 7500X in June 30th (Q) expiry selling \$294 puts to buy \$320/\$336 call spreads. **QQQ** also 4500 January \$326 calls bought today for \$10M. **QQQ** also a buyer 3500 April 23rd (W) \$319 calls \$7.25

Consumer Goods

Pepsi (PEP) with 1000 August \$145 puts sold to open for \$8.10 in stock replacements today

Callaway (ELY) with 3,000 January 2023 \$35 calls sold for \$4.50 in a buy-write

P&G (PG) with 2,500 August \$150 calls sold to open down to \$1.60 into the recent run higher

B&G Foods (BGS) another 4,000 May \$30 puts being bought today for \$1.25 to \$1.50, spot where buyers were active in January

Consumer/Business Services

Under Armour (UA) buyers 3900 April \$18.50 calls up to \$0.55. **UA** April \$18 calls up to 7000X as well now with buyers

FarFetch (FTCH) buyer 1000 January \$70 calls \$8.30 after positive BAML note pre-market on long-term opportunity into recent weakness. **FTCH** now also with 1,000 January 2023 \$45 puts sold to open for \$12.10 in a stock replacement

Rush Street (RSI) with 1000 April \$15 calls bought \$1.55 to \$1.65 to open with shares back at the 200-day and trying for a double-bottom off of the \$15 level

Roblox (RBLX) weak and seeing 1000 May \$55 puts sold to open \$3.10 bids

The-9 (NCTY) with 1000 October \$40 and 1300 October \$35 calls being sold to open

Lyft (LYFT) buyer 5000 January 2023 \$65 calls \$15.20, adjusting the \$45 calls where 10K opened 12/17

Discovery (DISCA) with 500 January 2023 \$35 puts being sold to open today for \$7.10 to \$6.80

Porch.com (PRCH) with 2,000 April \$17.50 puts sold to open for \$1.05, should benefit into the Spring housing season

Uber (UBER) stock replacement sold 1,500 January 2023 \$60 puts for \$15.75

Chegg (CHGG) bullish spread sells the May \$75 puts to buy the \$90/\$110 call spread 500X with shares basing along the 200-day

RH (RH) strong move since earnings and today 240 May \$600 puts sold to open for \$44.70 to \$43.70

Macy's (M) with 1500 August \$16 calls bought for \$2.80

Revolve (RVLV) with 2,350 April 9th (W) \$46 calls bought this morning up to \$1.80. **RVLV** also with 1000 April / May 7th (W) \$48 call calendar spreads opening for \$1.65, likely targeting earnings which should be in early May

Energy

FuelCell (FCEL) with 1500 July \$14 calls bought \$3.10 to \$3.16

Whiting Petroleum (WLL) opening sale of 1000 November \$25 puts for \$2.30

Schlumberger (SLB) with 10,000 November \$37.50 calls bought for \$1.16, some June calls adjusting

EOG Resources (EOG) with 3000 July 4100 calls selling to open \$1.35 to \$1.25

Viper (VNOM) buyers of 2000 May \$17 calls \$0.50 to \$0.55

Shoals (SHLS) interesting trade sold 1000 April \$35 puts to open earlier \$2.35, a \$5.45B solar components play

Calumet (CLMT) with 5000 each May \$6 and \$7 calls bought at \$0.55 and \$0.25 offers, small cap flagging nicely

Financials

Wells Fargo (WFC) with 5000 next week \$42 puts opening early as this week adjust

BGC Partners (BGCP) big jump with 12,000 April \$5 calls after June calls bought yesterday. **BGCP** with 1000 April \$4 calls bought up to \$1 too and the \$5 calls over 25,000X

Apartment Investment & Management (AIV) with 1250 September \$5 calls bought \$1.60 to \$1.70 to open, a \$915M REIT focused on apartments

Visa (V) IV falling earlier with 6,500 May \$235 calls sold to open from \$1.39 down to \$1.21, likely writing against stock

Marathon Patent (MARA) with 1,650 May \$55 calls bought \$8.80 with shares moving as Bitcoin approaches new highs

Root (ROOT) into day lows with 1800 September \$10 calls bought \$4.40 to \$4.80

Evercore (EVR) stock and IV rising with 1700 June \$145 calls bought from \$4.10 to \$5, unusual volume for the name and follows the risk reversals yesterday in May

Healthcare

Eli Lilly (LLY) with 900 January \$185 calls bought as June \$175 adjust

Takeda (TAK) with 2,300 July \$19 calls bought for \$0.75 into weakness this morning, pulled back right to the 50- and 200-MA

TelaDoc (TDOC) with 300 January 2023 \$165 puts sold to open \$35.50, popular strategy into recent weakness

HCA Corp (HCA) strong bull flag pattern seeing 740 June \$185 calls open \$13.475 in a stock replacement

Bristol Myers (BMY) with 5000 May \$62.5 puts sold to open \$1.59

Medtronic (MDT) another 1,600 May \$120 calls bought today for \$3.45 to \$3.65, looks to be adding to open interest

Moderna (MRNA) with 1000 January 2023 \$125 puts being sold to open today \$36.40 to \$35.80

Vertex (VRTX) buyer this afternoon of the May \$200/\$185 put spreads 1400X2800 for \$1.32

Industrials

Deere (DE) buyers of 1200 April \$377.50 calls \$8.50 to \$9 in early action

Ford (F) with 30,000 June \$10 and 10,000 May \$10 puts opening as April adjust

Union Pacific (UNP) with 1000 June \$230/\$210 put spreads opening for \$10

Tesla (TSLA) with 10,000 April \$730/\$750 call spreads opening as the \$800/\$850 close 26,500X

General Electric (GE) into session lows with 40,000 September \$13 calls bought \$1.52 to open

Materials

Int'l Paper (IP) with 3,000 January \$60 calls sold for \$2.90 in a buy-write

US Steel (X) now with 1000 April 23rd (W) \$24 calls bought up to \$4 to open and earlier X with 4000 April \$34 OTM calls bought here \$0.63 to \$0.68

Alcoa (AA) with 1700 January \$27 puts sold to open \$3.80 bid. AA buyer 1000 July \$30 puts \$3.10

Cliff's (CLF) with 2,800 April 30th (W) ITM \$17 calls bought for \$2.80 to \$3.05 this morning with their strong guidance

Nutrien (NTR) with 5000 April 30th (W) \$54 ITM puts selling to open \$1.90

Freeport (FCX) with the June \$39/\$45 call spread bought 10,000X20,000 for \$0.39

Tech and Telecom

ON Semi (ON) with 1700 May \$40 calls bought \$3.50 to \$3.60. ON April \$39 calls heating up this afternoon 5500X

E2Open (ETWO) with 2500 July \$12.50 calls bought up to \$0.95 and some July \$10 buys

Snap (SNAP) IV rising with 6000 next week \$53 calls hot, follows recent Apr. \$55.5 calls 5000X. SNAP 2000 Apr \$51 calls \$3.50 offer bought now. SNAP 2500 Apr \$61 far OTM calls bought \$0.81. SNAP June \$60 calls seeing 900X active with buyers in early afternoon

Taiwan Semi (TSM) buyers of the April \$126 calls for \$1.15, 2400X, shares starting to work out of a narrow base

Big Commerce (BIGC) stock replacements are buying 1,500 April \$50 ITM calls for \$6.75

Ring-Central (RNG) with 535 January \$350 calls bought and the \$280 puts sold in bull risk reversals, trading for large net credits around \$13. RNG size buy 2500 October \$270 ITM calls \$56.30

Asana (ASAN) with 3,000 May \$30/\$35 call spreads opening this morning for \$1.45

Advanced Micro (AMD) into strength with 2400 October \$67.5 puts bought \$4.05 offer. AMD also seeing buyers 3750 Apr. 23rd (W) \$80 calls \$1.90

SailPoint (SAIL) with 900 June \$55/\$70 call spreads bought today with the \$45 puts sold to open, software name that has pulled back just above its 200-day

Service-Now (NOW) spread sells 750 next week \$490 calls to close and busy 1500 of the \$512.5/\$530 call spreads. NOW also seeing 1,600 May \$600 calls sold to open today into strength for \$4.40 to \$4.10

Cisco (CSCO) buyer 1000 June \$52.5 puts \$2.93 to \$2.97

Seagate (STX) buyers of 3,000 April \$74/\$80 call spreads into the highs for \$3.12 ahead of **MU** earnings tonight, shares near a multi-week breakout

Amdocs (DOX) IV picking up this afternoon as 3,000 July \$67.50 puts now bought up to \$3, aggressive buys with a short report out earlier citing potential fraud

NXP Semi (NXPI) May \$220 calls being sold to open 1900X down to \$4.90 into strength

T-Mobile (TMUS) opening sale 2000 January 2023 \$100 puts for \$7.80

Western Digital (WDC) buyer 1100 July \$67.50 calls \$6.50 offer into Micron earnings

Utility

American Water (AWK) breaking out into low volume pocket with 1000 April \$145 calls sold \$4.90 to \$4.50

Disclaimer:

Not Investment Advice or Recommendation

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