

OptionsHawk

OPTIONS HAWK DAILY MARKET 3/4/2020

Sector Leaders

Semi's

Utility

Biotech

Stock Gainers

OCUL 29%

EHTH 16.4%

CVET 15.5%

ALEC 12.8%

HUM 12.5%

CNC 11.9%

MOH 11.5%

Volatility Gainers

• AMRN

• OCUL

• HPQ

• GRPN

• BBY

• FEYE

High Call Volume

• OCUL

• TAK

• H

• CP

• CVET

• TWOU

Bullish Options

• WYNN

• TSLA

• CAT

• MDT

• BILI

• PSX

• IOVA

• EXPE

• ATVI

• MRK

• H

Market Review: Stocks opened Wednesday sharply higher after Biden's strong Super Tuesday performance. News remained focused on COVID-19 and the stimulus expectations while PMI numbers were released. US ISM Services for February came in extremely strong above expectations. Stocks held the bounce well and digested some negative virus headlines with breadth hitting session best levels midday. There was major strength in Biotech, Semiconductors, Software and also the Yield groups REITS and Utility also strong for a second day as bond yields are depressed. Banks and Energy remained consistent laggards. We have a pretty light schedule the rest of the week with the Jobs Report on Friday and most eyes now on further stimulus efforts and COVID-19 headlines which is likely to be the case through March.

S&P Chart:



Resistance	Support
3,150	2,965
3,200	2,850
3,260	2,720

Options Action Trends: Early action saw large opening call sales OTM in Rails **CP**, **UNP** and **CSX**. Opening March call sellers active in Cruise names **RCL/CCL/NCLH** too.

What's On Tap: Jobless Claims and Factory Orders.

Trade Tracker Portfolio Changes:

- 1) No Change

Sector Laggards

Energy

Banks

Metals

Stock Losers

CDLX -35%

INFN -14.3%

VRTC -11.6%

HIIQ -11%

APT -11%

URBN -9%

HALL -8%

Volatility Losers

• MNK

• CVET

• APT

• HRTX

• CDLX

• TGTX

High Put Volume

• PK

• ARCH

• HBAN

• HTZ

• NUS

• TRP

Bearish Options

• VFC

• BHC

• EXC

• HTZ

• HBAN

• LLY

• PNC

• MGM

• MLND

• KKR

• SBUX



CarMax Large Call Buy into Close as Shares Look Very Attractive

Ticker/Price: KMX (\$86.15)

Analysis:

CarMax (KMX) IV jumped into the close with 3450 April \$90 calls bought \$4.10 to \$4.40 to open, earnings 4-2. On 10/30/19 the January \$90 puts were sold to open 1200X. KMX shares last week pulled back with the market to test its rising 55 week moving average which held as support, also a 38.2% retracement, and holding above \$85 as a key volume node is critical on a weekly closing basis. A move above \$89 puts shares in a nice volume pocket to move back to the top of its range. The \$14.2B used vehicle dealer trades 15.4X Earnings, 11.4X EBITDA, and 0.72X Sales. KMX has been a steady grower with top-line growing 7.8% in 2018, 6.1% in 2019, and set to grow 10% in 2020. EBITDA growth is seen re-accelerating to 6% growth in 2021. KMX is the largest automotive retailer in the nation and also is seeing strong digital growth with its omni-channel shift and evolving business model. The move should help increase its addressable market on a more efficient asset base, improve store throughput and productivity, and potentially drive other cost efficiencies. It also has an auction business that is the 3rd largest and contributes \$2.2B in Revenues. CAF is its financing arm of the business that also provides a contribution. On 1/29 it bought a minority stake in Edmunds for \$50M and in December posted 7.5% comps though missed on EPS due to rising expenses from its investments. One area of growth highlighted on the last call cites “We also see tremendous opportunity with our express pickup and home delivery offerings. Our conversion rate on these sales is very high, and the customer experience of these delivery options is extremely well received. While combined they still represent less than 10% of sales in eligible market, these offerings steadily increased throughout the quarter. Going forward, we expect more customers will take advantage of these delivery offers -- options as we expand our omnichannel experience into new markets and increase customer awareness through various marketing channels.” Analysts have an average target of \$107 and short interest is elevated near 10% of the float but has come down around 30% since last August. On 12/26 Argus raised its target to \$110 positive on the new omnichannel approach to car buying and shares are attractively valued. OpCo raised its target to \$118 in December seeing shares not reflecting the power of the more digitally-driven operating model. BAML a major bull with a \$150 target on 1/21 highlighting the long-term benefits of the shift to more profitable transactions online, an improving core business, and notes KMX’s vast amounts of data as a material competitive advantage that could in the future lead to opportunities with data service offerings and collaborations with external fleets. Hedge Fund ownership fell 4.65% in Q4 filings, notable reductions in positions from Ruane Cunniff and Junto Capital while Akre Capital and Palestra added to positions. It is the top holding of Markel as well.

Hawk Vision:



Hawk’s Perspective: KMX is at a very attractive valuation here with the omnichannel story set to play out the next few years, a name I think will do very well.

Confidence Ranking: \$\$\$



AutoZone Large Call Buy into Weakness

Ticker/Price: AZO (\$1022.60)

Analysis:

Autozone (AZO) size buyer yesterday of 1,000 June \$1,040 calls from \$66.90 up to \$78, a more than \$7.5M buy, and biggest trade in the name in some time. AZO has seen some smaller, high-dollar trades throughout 2019 that remain in OI including 100 Jan. \$1,100 short puts at \$126 and call buys across the January \$980, \$1,020, \$1,260, \$1,360, \$1,460, and \$1,580 strikes. Shares have been one of the steadiest names in the market since mid-2018 trading up from around \$500 to \$1,300 and pulling back over the last three months to the 38.2% Fibonacci. AZO has been in a downtrend since

December but a move above \$1,075 and the 20-MA sets up for a nice trend shift and target above at \$1,150 and then \$1,225. The \$25B auto parts retailer trades 14.47X earnings, 2.1X sales, and 15.3X FCF. AZO is guiding to accelerating EPS growth in the low-double digits with revenue growth in the mid-single digits, better than peers like AAP and ORLY.

AZO noted some weakness yesterday due to weather-related issues but issues that have been largely priced in given commentary from peers and DIY tends to perform better in the warmer months. Inventory levels also rose a bit but longer-term should improve with their ongoing management efforts and implementation of their digital/commercial system. AZO has shifted a big focus to their megahub stores which are now around 39 opened on the path to 70-90. The megahub strategy will expand the availability of parts at certain stores in an effort to boost DIY and commercial sales in certain areas and shorten lead times to give them an 'on the ground' advantage over peers. Short interest is 2.8%. Hedge

fund ownership fell less than 1% in Q4. Armistice Capital, Element Capital, and Interval Partners all top buyers.

Analysts have an average target for shares of \$1,280. CFRA positive yesterday with a Strong Buy noting that "We continue to regard the record-high U.S. vehicle age (11.8 years) as a powerful secular demand driver, noting AZO's history of outperformance during economic downturns, and long history of aggressive and EPS-supportive share repurchases."

Hawk Vision:



Hawk's Perspective: AZO share count has been reduced 20% since 2015 and remains a solid fundamental name. I would like to see shares above \$1070 and close above its 21 MA to move out of this pullback trend.

Confidence Ranking: \$\$\$



Cytokinetics Calls Position for Eventful Year

Ticker/Price: CYTK (\$14.55)

Analysis:

Cytokinetics (CYTK) on 2/28 with 5000 June \$16 calls opening for \$2.25 and also has 2500 April \$15 calls in open interest and July \$15 calls 1000X bought back on 1/8. Shares sit near 3 year highs and have held up strong while Biotech peers have sold off recently in a risk-off move, consolidating above the 2019 high that is now acting as support. The \$860M Biotech defines its mission as developing potential medicines to improve the health span of people with devastating cardiovascular and neuromuscular diseases of impaired muscle function. It has collaborations with Amgen and Astellas that are eligible for pre-commercial milestone payments of more than \$600M as well as more under sales/royalty agreements. CYTK is also well-funded with more than 24 months of cash on hand. Entresto has potential for more than \$3B in annual sales according to the head of Novartis (NVS), a new heart failure therapy, and an area CYTK is targeting with AMG-594. CYTK will have a Phase 3 interim analysis for their treatment for acute heart failure in Q1 and Needham positive in November with a \$24 PT for shares.

Piper is out this morning with an Overweight rating and \$22 target noting Phase III GALACTIC-HF trial of omecamtiv mecarbil recently passed the 2nd and final interim analysis. The trial is 90% powered to detect a hazard ratio of 0.8 for time to CV death, a key secondary endpoint, with top-line data in 4Q:20. Partner Amgen is expected to complete Phase I study of novel AMG 594 in 2H:20. Cytokinetics is conducting the Phase II REDWOOD-HCM study of CK-274 in obstructive HCM patients with preliminary data in 2H:20 and will soon begin Phase I studies of follow-on cardiac myosin inhibitor CK-271. Competitor MyoKardia will report Phase III EXPLORER data on mavacamten in oHCM in 2Q:20, which has read-through to CK274. HC Wainwright sees 2020 as a transformational year with major visibility across all its programs and growing the size of its pipeline in a note saying "We Are All In" and has a \$30 target. The analyst believes Cytokinetics shares are only starting to reflect a projected positive outcome for GALACTIC, and Cytokinetic's likely development of a co-promotion plan with Amgen, in addition to \$600M milestone potential. Further, the company's CK-274 program has seen increasing investor interest. Hedge Fund ownership surged 38.75% higher in Q4 filings.

Hawk Vision:



Hawk's Perspective: CYTK clearly showing relative strength though short interest at 16.6% of the float also continues to climb, a true boom or bust name for 2020.

Confidence Ranking: \$\$



Hyatt Unusual Large Call Buy as Company Transforms

Ticker/Price: H (\$73.40)

Analysis:

Hyatt (H) with 3000 August \$80 calls bought into weakness \$4.50 to \$5.40, a name that sees limited options activity buy 500 May \$75 calls opened last week for \$415,000. Shares have pulled back with travel-related names due to COVID-19 concerns and holding at its 144 week rising MA and trend support off 2018 and 2019 lows. The \$7.6B lodging name trades 9.5X EBITDA and 1.5X Sales with a 1.07% dividend yield. H is coming off a very strong quarter though estimates see 2020 as a transition year as it moves more aggressively to an asset-light model to drive FCF, and management has been selling real estate while there is also optionality for its loyalty program and recent acquisitions. H is mostly exposed to Luxury and Upscale markets with 68% America exposure and 19% ASPAC. Total Rooms have grown at a 7.7% CAGR while Fees have seen 10.6% growth. Its Average Daily Rate is best-in-class. Analysts have an average target of \$89 and short interest at 6.6% of the float has come down 40% Q/Q. Ron Baron out positive on CNBC in early February on the asset-light model causing a re-rating higher and the Company buying back stock. Hedge Fund ownership fell 4% in Q4 filings, notable holders like BAMCO, Long Pond, and Melvin, the latter likely the buyer of these calls.

Hawk Vision:



Hawk's Perspective: H is clearly an attractive story, tough travel space right now and want to see some positive price-action first, but on watch.

Confidence Ranking: \$\$



ActiVision Bulls Active in Options with Shares Holding Up Strong

Ticker/Price: ATVI (\$60.50)

Analysis:

Activision (ATVI) with 2,000 ITM May \$50 calls bought today around \$11.35 to \$11.55, sizable trade and follows buyers recently in the June \$65 calls and May \$62.50 calls. ATVI has also seen accumulation in the January \$65 calls for some size. Shares have held up well and just 6% off of 52-week highs while crossing back above its 8-EMA this week. ATVI continues to rebound from the late 2018 selloff and has a big VPOC up above at \$75 to target. The \$45.3B company trades 20.92X earnings, 7X sales, and 26.4X FCF with a small yield and mid-teens EPS growth. ATVI sees revenues up 8% and then 10% the next two years. ATVI sets up favorably into the next-gen gaming world and a number of company-specific catalysts in 2020 to drive value including a big slate of games set to hit the market (Diablo 4, Overwatch 2, and a new World of Warcraft expansion in August), their new cloud partnership with Google and continued evolution of e-Sports. ATVI is widely expected to launch Call of Duty Warzone's Battle Royale mode within the next two weeks, a nice near-term catalyst. Analysts have an average target for shares of \$65. Stephens naming it their best new idea on 3-2 with a \$72 PT. The firm cites longer-term catalysts from Asia if coronavirus continues to affect consumer behavior and the company's firepower for acquisitions given that it currently has its largest net cash position since 2012. Sun Trust has a \$68 PT given their strong core IP and franchises as well as its deep game pipeline and leadership in merchandising. Short interest is 2.4% and dropped from 3.5% in January. Hedge fund ownership rose 2.5% in Q4, Jericho Asset Management with a big add of 4.7M shares and their new top position. Viking Global, Light Street, and Park West all buyers as well.

Hawk Vision:



Hawk's Perspective: ATVI similar to TTWO large call buy this week and videogame names are in a great spot with limited virus impact and entering a strong cycle.

Confidence Ranking: \$\$



2U Calls Build on Potential M&A Bets

Ticker/Price: TWOU (\$27.50)

Analysis:

2U (TWOU) with buyers of 3,300 April \$30 calls this morning from \$1.70 to \$1.90, more than 5.5X average, and still has 1,300 July \$30 calls in OI from buyers. TWOU is breaking out of a bull flag today and back above its 200-MA for the first time in a while with some headline relief from the Democratic primary last night. TWOU has been an ugly chart technically but basing since July 2019 and moving out of a narrow range and into a gap that targets \$35. The \$1.58B company has been an activist situation since last Fall when Sachem Head disclosed a 2% stake. The firm believe TWOU would be an attractive target for a number of companies in the space given the breadth of their education consulting programs across both bachelors and master's degree programs. Private equity would also be an ideal landing spot as their balance sheet and underlying business remain strong. Sachem Head recently was successful with another deal in the space with Instructure. TWOU focuses on building and supporting online education programs through their cloud-based tech and has partners like Yale University. Shares trade 2.76X sales and 10.28X cash with mid-teens revenue growth. Analysts have an average target for shares of \$41. Citi with a \$28 PT while DA Davidson and BMO both positive late last year seeing "early signs of stability" as the company's graduate program segment and its alternative credential segment performed better than expectations, reflecting the management's efforts to improve operational efficiency. Short interest is 17.6% but down from around 22% in November. Hedge fund ownership rose 11% in Q4, Hound Partners and Jericho also buying stock while Sachem Head's stake now 2.8M shares. Nomura also with 5.2M shares and often a proxy for other activists as we've seen in ARMK and HPQ. TWOU has seen a number of insider buys as well since August including two different \$1M buys from directors around \$14 while the COO bought near \$500k in August.

Hawk Vision:



Hawk's Perspective: TWOU impressive relative strength, not many multi-week highs in this tape and looks like could see a deal get done.

Confidence Ranking: \$\$

Additional Options Flow

Market/ETFs

Energy (XLE) opening sales 4400 August \$45 puts \$3.45 bid

Biotech (XBI) with 10,000 April \$100 calls bought \$1.40 as March adjust

Russell (IWM) with 10,000 April \$156/\$145 bull risk reversals trading for a credit. **Russell (IWM)** buyer 3000 June \$151 calls \$6.67 with 4500 of the March \$151 sold against to open

S&P (SPY) buyers active 2450X each July \$318 and \$323 calls earlier for combined \$3.8M. **S&P (SPY)** buyer of 6000 July \$295 puts midday for \$13.47

Ultra-NASDAQ (TQQQ) buyer 1700 September \$110 calls \$5.60 to \$5.65, would need us back at the Feb highs in 6 months

Emerging Markets (EEM) with 5000 December \$44/\$38 bull risk reversals opening \$0.15 credit

NASDAQ (QQQ) just before Noon with a big block of 34,000 April \$191 puts bought for \$3.43. **QQQ** sale of 5000 January \$220 calls \$13.81 in a buy-write. **QQQ** also with 20,000 June \$205 puts bought in the afternoon

Utility (XLU) with 8000 June \$69 calls opening at \$1.88 as the \$65 calls adjust

Consumer Discretionary/Services

Wynn (WYNN) with another 925 January \$100 calls bought early \$19.25 to \$19.85. **WYNN** opening sale 750 September \$105/\$100 strangles for \$27.10

VFC Corp (VFC) buyer of 1,280 August \$70 puts for \$5.40 to \$5.80

Norwegian Cruise (NCLH) with 7000 March \$35 calls sold to open, **Carnival (CCL)** with March \$35 calls sold to open 7500X and **Royal Caribbean (RCL)** with 2850 March \$87 calls sold to open

MGM Resorts (MGM) with 3000 March 27th (W) \$21 puts bought up to \$0.97 to open. **MGM** buyer 5000 April \$24/\$19 put spreads as the \$27/\$22 adjust

Las Vegas Sands (LVS) opening sale 2500 May \$52.5 puts for \$3.70. **LVS** also with 1500 September \$52.5 puts sold to open \$5.925

Altice (ATUS) buyers 700 December \$30 calls \$2.20 offer. **ATUS** December \$30 calls up to 2600X

Noodles & Co (NDLS) buyer of 1,000 August \$7.50 calls \$1.40 today, strong run lately for the casual dining name

Starbucks (SBUX) weak here with bearish flow, the July \$70 puts with 2800X being bought and 2000X of the \$60 puts also bought. **SBUX** also buyers 2000X each of August \$70 and \$60 puts

Zillow (Z) with 925 ITM March \$50 calls bought today up to \$5.70, follows some May call buys into the recent pullback

Eldorado (ERI) with 1,500 June \$50 calls opening around \$3.65 today, the \$55 calls adjusting back

Fox (FOXA) buyer 2500 March \$30.50 near-term calls \$1.15 offer to open

Burlington (BURL) buyer 300 April \$220 calls for \$10 into earnings tomorrow morning, higher 6 of last 8 reports

Skechers (SKX) stock replacement opens 1500 Apr. 9th (W) 432.5 calls \$1.95

Live Nation (LYV) with 2000 July \$60 calls opening \$6.25 after 2000 April \$62.5 opened \$2.25, size call buys into weakness this week

Vodafone (VOD) buyer of the July \$20 calls today as 6800 April \$21 calls from January roll

Yum China (YUMC) buyer 2000 January \$45 puts \$5.40 offer

Nordstrom (JWN) with 15,500 April \$27.50 puts sold to open down to \$0.71 today

Penn (PENN) with January 2022 \$25/\$15 put spreads sold 1000X to buy the \$20/\$30 call spreads.

Consumer Goods

Estee Lauder (EL) with 3,000 March \$175 puts sold today for \$2 in a stock replacement, looks to add to over 4000 in OI from sellers back in August 2019

Anheuser Busch (BUD) buyers active for 1350 January \$50 puts today near \$3.70

Costco (COST) opening sale 1500 April \$280 puts \$4.40 bid ahead of earnings tomorrow night

I-Robot (IRBT) with 1000 June \$60 calls opening, he April \$45 trading with in potential bull spreads

Canada Goose (GOOS) buyers of 1,000 July \$30 calls for \$2.15 to \$2.20

Energy

Philips 66 (PSX) with 1150 January 2022 \$80 calls opening \$6.55

EOG Resources (EOG) with 600 July \$65 calls opening \$6.60

Equitrans Midstream (ETRN) buyer of 1000 Dec. \$7.50 calls for \$1.10

Financials

Huntington Bank (HBAN) with 8000 April 412 puts begin bought \$0.52 to \$0.55

PNC Financial (PNC) with 570 January \$100 puts bought aggressively \$5.50 to \$6

JP Morgan (JPM) opening sale 1250 March 2021 \$100 puts \$7.50. **JP Morgan (JPM)** with 1500 December \$135 calls sold to buy the \$95 puts, may be collaring stock holding

KKR & Co (KKR) buyer of 2,430 June \$24/\$20 put spreads for \$0.50

Bank of America (BAC) with 25,000 June 2021 \$32/\$35 call spreads opening today \$0.90

Discover (DFS) with 1665 July \$77.5 puts opening \$13.40 as Apr. 3rd (W) \$78.5 adjust

Comerica (CMA) buyer 500 July \$50/\$47.5 strangles, name that has Energy exposure

TradeWeb (TW) with 1,000 March \$55/\$50 strangles sold today for \$1.35

Healthcare

Bausch Health (BHC) early fade with 2,100 March \$22.50 puts bought up to \$0.97

Iovance (IOVA) with 2500 June \$40/April \$35 bull risk reversals opening for \$1

Eli Lilly (LLY) with 1225 June \$145 puts opening as the \$125 puts from 1/21 adjust

Cerner (CERN) with 3,000 March \$67.50 puts sold to open this morning down to \$0.50 as IV falls

Medtronic (MDT) buyer 1000 June \$105 calls \$4.20 to \$4.25 offers, hit hard recently as a name most exposed to elective surgeries

Millendo Therapeutics (MLND) spread buys 5,000 May \$5 puts for \$1.80 and sells 10,000 June \$2.50 puts for \$0.40 into a couple key Phase 2 readouts in Q2

Merck (MRK) basing and 1000 September \$80 calls bought \$5.50, also block of 500 Sep. \$80 puts sold \$6.15 to open

GW Pharma (GWPH) buyer of the May \$110/\$125 call ratio spread 1,150X2,300 for \$1.50 net debit

UniQure (QURE) with 3,500 July \$55 puts sold to open \$8.80 to \$7.60. **QURE** now also with the January \$70/\$115 call spread bought 1500X for \$9.10

Teva (TEVA) buyers active 2000 September \$10 calls \$2.64 to \$2.68. **TEVA** also with 3400 April \$13 ITM puts opening today

Health Insurance Innovations (HIIQ) with 2,500 May \$20 puts bought \$2.30 to \$2.40 to open today, down 13% on earnings and still no feedback on their strategic review

McKesson (MCK) buyer 2000 April \$155/\$170 call spreads for \$4.50

Encompass Health (EHC) buyers of 600 March \$80 puts up to \$3.40 today as IV rises

Clovis (CLVS) with 5000 March \$7.50 puts sold to open

Walgreens (WBA) buyers of 2,000 March \$48 calls for \$1.45 to \$1.70 into the day's highs

Health Equity (HQY) with 500 September \$65 puts sold to open \$7.30 this afternoon with shares back at the 200-MA

PTC Therapeutics (PTCT) with another 2,500 June \$60 calls bought for \$4.70 today, strong biotech that is consolidating above its rising 50-day

Moderna (MRNA) sellers of 2,500 April \$38 calls for \$1.85 to \$1.75

Sage Therapeutics (SAGE) with 2,000 May \$55 puts sold to open from \$9.65 to \$8.45

Crispr Therapeutics (CRSP) strong move in IV with 500 April \$55 calls bought \$4.10 to \$4.60

Industrials

Tesla (TSLA) with 1295 August \$680 calls opening as September adjust back, \$24M position. **TSLA** also with 2300 August \$690 ITM calls opening midday for \$39M and seeing 1845 of Oct. \$670 calls open for \$34M

Union Pacific (UNP), CSX Corp (CSX), and Canadian Pacific (CP) seeing large opening sales of March OTM calls at \$170, \$75, and \$260 strikes respectively

Caterpillar (CAT) bull flow early with 580 Mar. 13th (W) \$125 calls bought \$3.90 offer and 645 May \$125 calls being bought \$8.65 offer

Hertz (HTZ) buyers of 1,475 July \$11 puts for \$1.85. **HTZ** 4500 March \$12 puts opening with \$13 puts adjusting. **HTZ** with 5000 January \$15 calls bought this afternoon \$1.50 to \$1.55

Atlas Air (AAWW) with 2,250 March \$27.50 calls sold to open \$1.40 to \$1.35

Cummins (CMI) with 2,900 April \$130 puts sold to open today for \$1.60, stock replacement

Boeing (BA) buy-write sold 700 April \$300 calls for \$8.70

IntelSat (I) with 5,000 June \$5/\$3 bear risk reversals opening today

Avis Budget (CAR) with 625 January \$28 puts bought \$5.70 to open today and comes with the **HTZ** put buys as well

Norfolk Southern (NSC) with 2900 April \$155 puts bought \$2.30, stock tied

Lockheed Martin (LMT) with 885 September \$425 calls being sold to open \$14.80 to \$14.30, Defense names could struggle if Democrats gain Election momentum

Materials

BHP Billiton (BHP) with 2,250 April \$42.50 synthetic long spreads opening for \$1.08

Cliff Natural (CLF) with 29,000 January 2022 \$3 puts bought \$0.57 to open as January 2021 \$5 and \$4 puts adjust. **CLF** buyers 7000 May \$5 calls to open \$0.92 to \$0.94 offers

DuPont (DD) with 1600 January \$37.5 puts bought \$3.60. **DD** also with 5,000 June \$50 calls bought up to \$1.30

Arch Coal (ARCH) buyer of 800 August \$40/\$30 put spreads for \$3, weak name in a slowing industry

Air Products (APD) stock replacement sells 1,450 April \$200 puts for \$2.15 on the PHLX

US Steel (X) opening sale 5000 May \$7 puts \$0.56

Tech and Telecom

Expedia (EXPE) works a bit off lows with another 1600 July \$100 calls bought \$8.30 to \$8.60

Crowd-Strike (CRWD) with 1000 next week \$62 calls opening for \$1

DocuSign (DOCU) IV falls as 2,000 March \$87.50 calls sold to open from \$4.50 to \$4.10

Microchip Tech (MCHP) with 6000 May \$90 calls opening \$7.70 with April and May adjustments

Maxim (MXIM) August \$60/\$50 strangles being bought 850X

Flextronic (FLEX) with 2000 July \$12 calls bought and the \$12/\$10 bull put spreads also opening 2000X

Sea Ltd (SE) with 17,250 May \$35 puts sold to open down to \$0.30

Bilibili (BILI) another 1,000 October \$40 calls bought today \$1.90 to \$2.10, spot where 3,500 have opened, nice flag forming. **BILI** also with 1900 October \$20 puts sold to open today while the \$40 calls up over 3000X trading. **BILI** now with more August \$35 calls bought, over 990 on the day \$2.45 to \$2.55

Apple (AAPL) opening seller 1000 October \$230 puts \$8.35, willing to buy stock at the 55 week MA

Alibaba (BABA) with 1000 May \$210/\$225 call spreads opening

Model-N (MODN) unusual buy here 600 May \$28 calls \$2.90 offer to open

Roku (ROKU) with 1,500 May \$110 puts opening for \$15.70, adjusting some March and April positions

2U (TWOU) with 2,950 April \$30 calls bought up to \$1.85, activist situation

Zoom (ZM) earnings tonight and 590 January \$125 ITM puts being sold to open \$32.60 to \$31.50. **ZM** weakening into earnings now after 1600 April \$110 puts bought \$10.60 to open

Nutanix (NTNX) stock replacement sells 700 January \$22.50 puts to open \$4.80 today into recent weakness

Expedia (EXPE) with 9700 January 2022 \$125 calls trading as January 2021 \$100 calls look to be adjusting, or possibly the other way around, will confirm OI's tomorrow

Weibo (WB) stock replacement sells 2,000 January \$35 puts for \$6.10 to open today, basing back at December support

NVIDIA (NVDA) opening seller of 1000 September \$230 puts today \$16.30 to \$15.80

Cree (CREE) aggressive buy of 2000 Apr. 9th (W) \$47 calls \$2.55

Trip.com (TCOM) with 2,000 March \$31 calls bought from \$1.30 to \$1.50, earnings on 3-18

Pinduoduo (PDD) earnings 3-11 and today 2000 June \$40/\$32 bull risk reversals opening for \$0.40

Utility

Exelon (EXC) with 2,000 April \$45 puts opening for \$1.65, the March \$48 puts rolling

TC Energy (TRP) with 1,400 August \$50 puts bought up to \$1.70 to open, shares bouncing back into the 50-MA this week

Disclaimer:

Not Investment Advice or Recommendation

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