



FEATURED OPTIONS RADAR REPORT



Bullish Activity in PNC as Company Transforms and Deploys Capital

Ticker/Price: PNC (\$177.7)

Analysis:

PNC Financial (PNC) with 2000 November \$170 puts sold to open late day on 4/19, a name that has been popular with buy-write positions for size since January this year in longer-dated calls at strikes of \$180, \$185, \$195, \$200 and \$230. PNC shares broke through a major 2018 and 2019 high earlier this year and forming a tight weekly bull flag with upside Fibonacci extension targets at \$193 and \$212. The \$74B Bank trades 13.9X Earnings, 1.4X Book and has a 2.57% dividend yield with revenues seen rising 9.2% in 2021 and 11.1% in 2022. PNC announced an \$11.6B deal in November to buy BBVA's US regional business, seen 21% accretive to earnings in 2022. PNC announced results last week beating estimates on EPS and Revenues. PNC has been deploying cash and is likely to lift NII and NIM over the next few years.

PNC noted it is making good progress on BBVA integration planning and are on track for a midyear close pending regulatory approval. BBVA's largest market is Texas which PNC sees as a big opportunity. Analysts have an average target of \$185 and short interest low at 1.5% of the float. RBC raised its target to \$190 after the transformational 2020 that included the sales of its Blackrock (BLK) stake and the BBVA deal, expecting stronger profitability in 2022 and beyond. Argus raised its target to \$203 expecting stable lending. Hedge Fund ownership declined 8.5% in the latest quarter filings, Aristotle Capital a top concentrated holder added to its position.

Hawk Vision:



Hawk's Perspective: PNC is a quality name and a nice chart, one that should perform well in 2021 and the strategy of owning the stock and writing calls is one I agree with the flows on.

Confidence Ranking: \$\$



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Wayfair Calls Active Ahead of 'Way Days', Earnings

Ticker/Price: W (\$310)

Analysis:

Wayfair (W) more bullish flows today with 420 November \$460 calls opening \$14.10 to \$14.50 and follows 2,416 May \$315 calls bought for \$24.90 to open yesterday. Wayfair has also seen buyers in the January 2023 \$160 calls for \$120 recently with the January 2022 \$250 puts sold and buyers in the January 2023 \$350 calls for over \$3.5M. Wayfair was a chart highlight recently and forming a nice wedge around its 50-day MA on the daily with the wider range setting up in a 28-week base set to break out. Wayfair has a long-term measured move out to \$450. The \$32.65B company trades 62.5X earnings, 2.3X sales, and 12.6X cash with accelerating revenue growth of 11% in FY21 and 20.5% in FY22. Wayfair is coming off of a hot year with the pandemic shifting more spending towards home improvement and ecommerce. They've also been finally seeing margin expansion after years of investment in their supply chain and internal efficiency initiatives. The company announced their big annual sales event will occur on April 28 to April 30 this year, a major opportunity to showcase their platform and pull forward more customers after their Sept. 2020 event. Analysts have an average target for shares of \$297.50 with a Street High \$450 from DA Davidson. The firm was out on 3/31 positive on the company's long-term revenue opportunity as the home e-commerce market is set to expand at a 15% CAGR through 2030. They think Wayfair could increase its revenue 8X. Piper with a \$420 PT in April citing more runway for margin expansion in 2021 despite 550 bps of growth in 2020. Short interest is 11.9% and near its lowest level in two years. Hedge fund ownership fell 8.5% in Q4, Vulcan Value a buyer of 2.15M shares. Insiders active recently too with a director buying \$13.5M in stock on 3-4 at \$283.50.

Hawk Vision:



Hawk's Perspective: W is a best-of-breed name and I think the chart and flows are setting up a nice opportunity above \$325 into two notable, near-term events.

Confidence Ranking: \$\$



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Abercrombie Bulls Look for Continued Strength into Summer

Ticker/Price: ANF (\$37)

Analysis:

Abercrombie & Fitch (ANF) with buyers today of 1000 August \$40 calls for \$3.90 to open, spot where buyers opened some smaller size last week, and follows 5,000 June \$42 calls bought last week. ANF has also seen buyers in the November \$44 calls recently. ANF has been on a strong run since last Fall and pulling back today below its 8-EMA with the 21-day just below at \$36. The rising 50-day MA and March VPOC is around \$33. The recent range has a measured move above to \$46. The \$2.43B company trades 23.5X earnings, 0.80X sales, and 8.35X FCF with double-digit growth expected in FY22. ANF is coming off of a strong quarter with digital growth of 34% and now more than 55% of overall sales, their best-ever rate and continuing to accelerate over the past 3-4 months even with some store square footage reopening. The company noted in March that they continue to operate from a leaner inventory position that is allowing them to focus more on high-margin 'must haves' which has led to few promotions and expanded gross margins. They're also seeing momentum in some of their smaller brands like lingerie brand Gilly Hicks and within their active collection

Gilly Go which has a lot of runway for growth into Summer after a very successful 2020 launch. Analysts have an average target for shares of \$30 with a Street High \$46 from B Riley. The firm was out on 4/15 raising estimates and highlighting that as the economy re-opens, the assortment has started to shift towards more fashion and going out styles that are also rarely marked down. JP Morgan positive on 4/19 as their recent spending data showed an acceleration in apparel sales with denim a clear standout. Short interest 6.45%, down sharply since early 2020 and lowest mark since 2013. Hedge fund ownership fell 10% in Q4, Melvin Capital a new position while Samlyn Capital and Point72 also adding. Insiders active this year too with a director buying stock in March \$34.61 and follows buying from the CEO last year into the March lows.

Hawk Vision:



Hawk's Perspective: ANF is a bit broken near-term with today's candle but a name I like longer-term, especially around their Hollister brand with reopening demand in the Summer and then back-to-school which could be one of the biggest retail/apparel demand surges in recent memory. A dip back further towards \$34 and a higher low versus the March range would be a nice risk/reward.

Confidence Ranking: \$\$

Additional Options Flow

Market/ETFs

India ETF (INDA) with 4000 December \$30 puts being bought this morning for \$0.80, follows the June \$40 puts yesterday, and comes as India has become a major hotspot for COVID in 2021

ARK Innovation (ARKK) buyers 3350 May \$111 puts \$3.10

NASDAQ (QQQ) buyer 5000 May \$349 calls \$3.55 to open, also 10,150 July \$303 puts open \$5.28 as May \$290 adjust, and 1750 July \$338 puts opening

Energy (XLE) weak early but seeing 10,000 June \$49 calls bought \$1.67 to \$1.75 as shares try for a morning bottom

Regional Banks (KRE) with 3850 June \$66 puts bought \$3.70

Consumer Goods

Tyson Foods (TSN) with 1200 June \$77.50/\$82.50 call spreads bought early for \$2.30

Sysco (SYY) aggressive buyer 1700 November \$90 calls \$2.80 offer. **SYY** also today with 1200 November \$70 puts sold to open for \$3.30 to \$3.20

Kroger (KR) stock replacement opens 1550 October \$39 calls \$2.40

Callaway Golf (ELY) OTM November \$38/\$40 call spreads open 5000X at \$0.31

Consumer/Business Services

Five Below (FIVE) nearly 900 of next week's \$195 calls bought up to \$5.20 to open, very narrow range forming

CorePoint Lodging (CPLG) with 3000 October \$10/\$15 call spreads bought today as the July \$10 calls start to adjust

Under Armour (UAA) buyers of 3,950 May 7th (W) \$21.50 calls up to \$1.25, targeting 5-4 earnings and higher the last two

Penn Gaming (PENN) buyer flow for 5000 June \$130 calls up to \$1.45

Restaurant Brands (QSR) with 3000 May \$67.5/\$62.5 bull risk reversals opening \$0.56

Hilton (HLT) with 600 January \$115 puts bought here \$9.90 to \$10.10 to open, big global footprint that could be impacted by COVID surging outside the US. **HLT** also with 750 Oct. \$130 calls sold to open today around \$7.60/\$7.70

DraftKings (DKNG) with 2500 May \$54 calls opening \$5.10 into weakness

Expedia (EXPE) with 600 June \$160 ITM calls bought for \$16.70 with shares testing the rising 50-MA today

Groupon (GRPN) with 200 January 2023 \$50 puts sold to open this morning for \$15.10

TripAdvisor (TRIP) with 1500 May \$49 puts sold to open today for \$3.75

TAL Education (TAL) IV falling all morning with 10,000 May \$60 puts sold to open around \$2.60

New Oriental (EDU) off lows with 18,000 May \$17.50 calls bought up to \$0.30

Airbnb (ABNB) with 325 October \$175 puts sold to open \$26.70 into morning lows

Etsy (ETSY) with 500 January 2023 \$260 calls sold for \$38.30 in a buy-write

VF Corp (VFC) with 1000 November \$105 OTM calls bought for \$1.10 to open

Vail (MTN) with 1,250 May \$310/\$330 call spreads bought this afternoon for \$6.28, closing 750 May \$300/\$320 call spreads and adjusting higher again

Williams Sonoma (WSM) buyer of 1,500 May \$160 puts for \$4.60, adjusting down 1000 of the May \$170 puts

Rush Street (RSI) buyer of 2000 May \$12.50 calls for \$1.30 today into weakness, Jefferies positive note last week with a \$21 PT

Viacom (VIAC) with 8000 June \$40 puts opening ITM \$4.90

Croc's (CROX) buyer of 5000 May \$80 calls for \$2.75 and name that still has 4000 June \$80 calls in open interest

Expedia (EXPE) afternoon buyers into lows 6000 May \$170 calls \$8 to \$8.20, rolling back \$175 strike calls

eBay (EBAY) buyer of 1000 October \$65 calls \$3.66 to \$3.74

SeaWorld (SEAS) large sweep buyer 5000 May \$50 calls \$3.80 to \$4.50, earnings 5-6

National Cinema (NCMI) with 6000 Dec. \$2.50 puts sold to open \$0.30 today

Best Buy (BBY) stock replacement bought 600 July \$120 calls for \$5.85

Discovery (DISCA) stock replacement sold 3700 January 2023 \$35 puts to open for \$7.40

Charter (CHTR) also 750 January 2023 \$780 calls open \$42.20 today, strong name the past two weeks

Energy

Pioneer Natural (PXD) with 860 June \$150 puts sold for \$11.85 as the May short puts look to be adjusting out

ProPetro (PUMP) seeing 5000 September \$10 synthetic long positions open as May short puts adjust

Occidental (OXY) buyers of 2000 November \$22 puts for \$3.10 to \$3.20 this morning with shares breaking below recent support. **OXY** also with 1,400 January 2023 \$22 puts sold for \$5.15/\$5.20 in stock replacements

Schlumberger (SLB) with 4,000 November \$32.50 calls being bought for \$1.06 as the \$37.50 calls adjust back, spot where 13,500 were bought recently

EOG Resources (EOG) with 1000 June \$65 puts sold to open for \$2.90 this morning

Nextier Oilfield (NEX) into weakness with 3650 July \$2.50 calls bought \$1 and 4464 Oct \$2.5 calls sold for \$1.10

Marathon Petroleum (MPC) with 5,000 June \$55 calls opening for \$2.12 to \$2.13 this afternoon, some May calls from early April adjusting back

Financials

Square (SQ) weekly \$250 calls hot on the open today trading 8000X for around \$5M in value

CoinBase (COIN) options trading today and seeing 1000 June \$300 puts open around \$24

Macerich (MAC) buyer 4000 January \$32.50 way OTM calls \$0.30 to \$0.35 in unusual action

JP Morgan (JPM) buyer 1000 January 2023 \$155 calls \$17.15 offer

Goldman (GS) with 300 June 2022 \$290 puts sold \$22.05 to open, also seeing October \$355 puts sold to open today \$36.30

Ventas (VTR) IV rising sharply off the lows this morning with 1000 November \$62.50 calls bought for \$1.75 to \$1.80

Silvergate Capital (SI) a Bitcoin play rising off lows after 1500 each May \$110 and \$115 ITM calls traded to open

MasterCard (MA) with 250 January 2023 \$390 calls bought today for \$50.40 to \$50.50

Citi (C) with an opening sale of 3,000 December \$72.50 puts for \$8.92 this afternoon

Rocket (RKT) with 850 January 2023 \$20.89 puts sold to open today for \$5.30 in stock replacements

Healthcare

Rite-Aid (RAD) buyers of 1350 January 2023 \$10 puts for \$2.17 to \$2.19

Bausch Health (BHC) buyer of 1500 October \$32/\$38 call spreads, earnings 5-4. **BHC** also with 1675 October \$31 calls being bought up to \$2.70 this afternoon

Ascendis (ASND) with 850 July \$100 puts bought \$6.50 to \$6.90 to open. **ASND** now with 1650 July \$100/\$75 put spreads opening

Novavax (NVAX) with 235 October \$190 puts sold to open \$45.35 bids

Celldex Therapeutics (CLDX) stock and IV popped earlier with 1000 August \$25 calls bought on the morning from \$5.00 to \$5.90

Regeneron (REGN) seller of 1100 June \$500 straddles to open \$49.40

Zai Lab (ZLAB) into weakness today seeing 800 May \$150/\$140 bull risk reversals open this afternoon

Axsome Therapeutics (AXSM) with 3,950 June \$40/\$30 put spreads bought this afternoon for \$1.60

Industrials

Adient (ADNT) buyer 5000 October \$50/\$60 call spreads with July spreads adjusting

American Air (AAL) opening sale 5000 May \$19.50 puts \$0.76 into early weakness. **AAL** also with 5000 June \$19 puts sold to open today from \$1.15 to \$1.10

KC Southern (KSU) with 2500 September \$330 calls sold to buy the \$280 puts, likely collaring stock after the raised takeover bid

General Motors (GM) buyers of 3800 May 7th (W) \$56 calls for \$1.75 to \$1.80 into the lows, earnings on 5-5. **GM** also with 2000 May 14th (W) \$57 calls bought today for \$1.71. **GM** with 1,500 December \$50 puts also sold to open today for \$4

Atlas Air (AAWW) with 2800 January \$55 puts sold to open this morning for \$4.20, strong name and back near a weekly flag breakout into earnings on 5-5

Virgin Galactic (SPCE) buyer 1600 May \$22.50 puts for \$3.40

ZIM Integrated Shipping (ZIM) with spreads today selling the Oct. \$25 puts to buy the \$30/\$40 call spread for a net \$1.05 credit

Xpeng (XPEV) with 2,000 January 2023 \$22.50 puts sold to open today for \$5 in a stock replacement

Spirit Aerosystems (SPR) with 500 January 2023 \$45 puts sold to open today for \$10.40

United (UAL) with buyers of more than 3,500 April 30th (W) \$50 calls here for \$1.47 to \$1.55 this afternoon into weakness

Materials

CF Industries (CF) with 1000 August \$42.50 ITM calls bought this morning between \$6.00 and \$6.50 ahead of 5-5 earnings

Tronox (TROX) with 2300 May \$21 calls bought this morning for \$0.80 to \$0.95 into earnings next week, chemicals names expected to post strong quarters given better pricing

Franco Nevada (FNV) strong lately and 425 January \$130 puts sold to open this morning for \$9.10 to \$9, back above its 200-day this week

Mosaic (MOS) with 2400 May \$34 calls bought for \$1.05 to \$1.07 into the morning lows ahead of 5-3 earnings

Sibayne Stillwater (SBSW) with 1250 October \$20 calls opening \$2.84

Aemetis (AMTX) stock replacement opens 5000 May \$20 calls \$1.10

Tech and Telecom

Oracle (ORCL) impressive recent strength buy a large buyer of 4500 July \$80 puts here \$4.35 offer

Microchip (MCHP) fading with 1000 June \$140 puts bought for \$4.70, earnings on 5-6

Himax Tech (HIMX) with over 7,000 June \$10 puts sold to open this morning for \$0.60

Snowflake (SNOW) opening sale 300 November \$200 puts \$20.90

NXP Semi (NXPI) with 300 October \$210/\$160 bull risk reversals opening

Amkor Tech (AMKR) with 2000 May \$24 calls being bought into the morning lows for \$1.15 to \$1.20, earnings on 4-26 and strong history higher five of the last seven

HP (HPQ) size buyer 20,000 November \$35 calls \$2.35

Netflix (NFLX) into earnings with 2000 May \$640 OTM calls sold to open \$3.20 today, also seeing 1000 June \$650 calls bought \$6.40 offer

Taiwan Semi (TSM) with 1000 August \$105 puts sold to open today for \$3.30

DropBox (DBX) opening sale 1000 June \$26 puts \$1.95

Applied Materials (AMAT) into recent pullback and retest of breakout with 1000 January \$120 puts selling to open for \$13

Microsoft (MSFT) July \$265 calls active with buyers all day trading over 8000X in \$8.50 to \$9.25 range

Twitter (TWTR) buyers of 4000 January \$70/\$90 call spreads earlier today

Okta (OKTA) with 300 November \$210 puts selling to open \$12.25

American Tower (AMT) with 350 June 2022 \$230 puts sold to open today down to \$17.80

NetApp (NTAP) falls to day lows with 2000 June \$80 puts bought in sweeps \$6.70 to \$7

Utility

Sanitation Company (SBS) buyer 4000 October \$10 calls \$0.35

First Energy (FE) with 2,500 June \$36 puts bought today for \$1.42 into strength

Disclaimer:

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