



MARKET RECAP REPORT 4/6/2021

Sector Leaders

Solar

Software

Silver

Stock Gainers

SPNE 16.7%

GSX 15%

CARA 14%

PAVM 10%

SUNW 10%

PLBY 9%

Volatility Gainers

- RMO
- TEVA
- UAA
- RIDE
- CARA
- DDOG

High Call Volume

- BGCP
- CARA
- IAC
- YUM
- MAS
- MLCO

Bullish Options

- SNAP
- VIPS
- ON
- ZS
- JNPR
- DDOG
- FB
- AAP
- NKE
- ROKU
- DHI
- Z

Market Review: Stocks pulled off modestly from the record highs to start the week without a lot of incremental overnight news. Economic data out of China came in strong and the market continues to focus on infrastructure and vaccines. The IMF sharply raised the 2021 GDP growth outlook for the US as well. Stocks continued higher early with Nasdaq breadth showing the most strength and several big moves in the growth complex, an area seeing pullback trend breakouts and 8/21 bullish moving average crosses nearing. There were a few groups lagging, notably Banks followed by Semiconductors, Biotech and Metals. Breadth had a brief midday pause but then continued higher, the S&P not far from the 4130 target, a 1.618 extension of the COVID correction. The schedule remains light the rest of the week with FOMC Minutes tomorrow and Fed speakers back in focus later this week, inflation still the key concern for markets in relation to changing the Fed stance.

S&P Chart:



Resistance	Support
4,130	4,000
4,385	3,880
4,400	3,830

Options Action Trends: Calls were hot early in growth names like **ROKU, NFLX, SNAP, DDOG** while Retail saw bearish action with **PVH, VFC, BBBY, RL**. There was also some put action in Travel plays like **AAL, CCL**. We saw call buyers in the Archegos Capital blowup selling names like **VIPS, GSX, FTCH**. Later in the morning we saw massive call buys in growth leaders **ROKU, Z**. There was also bullish flow in Gold names **SSRM, FNV, KL, RGLD**.

What's On Tap: Import/Exports, EIA Data, and FOMC Minutes.

Trade Tracker Portfolio Changes:

- 1) No Changes

Sector Laggards

Banks

Semi's

Biotech

Stock Losers

SRRK -14%

UCTT -11%

HRMY -9.5%

KOPN -9%

ARES -7.7%

NNOX -7.7%

Volatility Losers

- VTRS
- PBR
- ET
- UA
- NNOX
- EPD

High Put Volume

- PVH
- CS
- VFC
- RL
- PAYX
- EBON

Bearish Options

- RL
- PVH
- PZZA
- CCL
- AAL
- HUM
- VFC
- BBBY
- RETA
- COF
- CPRI
-



FEATURED OPTIONS RADAR REPORT



Massive Call Buy in Sonos Sees Momentum Continuing

Ticker/Price: SONO (\$40.25)

Analysis:

Sonos (SONO) on 4/5 traded over 15,000 calls which is 2.2X daily average with a large block of 6000 October \$40 calls for \$6.30 the notable trade and follows accumulation of 15,8000 June \$45 calls and a buyer of 6000 January \$45 calls for \$3.66M on 2/11 that adjusted higher the \$30 calls following a very strong earnings report that saw a record number of new customers. SONO also saw a Director buy \$2M in stock at \$37.35 on 2-19. SONO was also on the bullish technical set-ups into this week with a recent base above its rising 55-day moving average and now working out of that base with RSI nearing a trend breakout and MACD nearing a bull crossover. A move above the recent highs should target a run to \$55. Sonos is one of the world's leading sound experience brands. As the inventor of multi-room wireless audio products, Sonos' innovation helps the world listen better by giving people access to the content they love and allowing them to control it however they choose. Known for delivering an unparalleled sound experience, thoughtful design aesthetic, simplicity of use and an open platform, Sonos makes a breadth of audio content available to anyone. Sonos sits at the intersection of emerging consumer technology and entertainment trends. The proliferation of streaming services and the rapid adoption of voice assistants are significantly changing audio consumption habits and how consumers interact with the internet. As a leading sound system for consumers, content partners and developers, Sonos is capitalizing on the large market opportunity created by these dynamics. The \$4.64B company trades 40.2X Earnings, 3.3X Sales and 20.2X FCF with a very strong balance sheet. SONO forecasts see 17.90% revenue growth in 2021 and 100% EBITDA growth and the company on 3-10 at an Investor Day announced it is targeting \$2.25B in revenues for FY24 with gross margins in the 45-47% range. The company also used the day introduce its new Roam small form factor portable speaker that provides a \$169 entry point into the Sonos ecosystem and comes along with portability and Bluetooth connectivity. SONO is also seeing margin benefits from a growing DTC revenue base and management expects to see a boost in the custom installer channel with reopenings. SONO also has an interesting catalyst with the preliminary decision from the its ITC lawsuit against Google for infringing on 130 Sonos patents expected early-to-mid May. Analysts have an average target of \$44.20 with short interest 6.7% of the float, rising 32% Q/Q. MSCO raised its target to \$45 in February as a top small cap pick seeing momentum in 2021 as constraints ease and retail stores reopen. Hedge Fund ownership surged 25% in Q4 filings.

Hawk Vision:



Hawk's Perspective: SONO was a top set-up into this week and nearly made it the Spotlight play this week, looks great and continues to be an undervalued small cap growth name for a luxury brand.

Confidence Ranking: \$\$



FEATURED OPTIONS RADAR REPORT



Anaplan Strategy Sees Positive Reward to Risk

Ticker/Price: PLAN (\$55.34)

Analysis:

Anaplan (PLAN) with a large bullish trade on 4/5 as the 5000 August \$60/\$45 bull risk reversals opened at a \$2.80 debit, a name that has 3000 April \$62.50 calls bought on 3/17 in open interest that are underwater, but otherwise minimal open interest. PLAN shares are down 23% YTD with the weakness in high-multiple growth stocks and have pulled back and based just above the YTD lower value level while also retesting a key flag breakout from 2020. PLAN is also just above a 61.8% Fibonacci retracement from the March 2020 lows to 2021 highs and VWAP off the March lows, so a good spot for shares to bottom. Anaplan is a cloud-native enterprise SaaS company and a market leader in Connected Planning, empowering global enterprises to orchestrate transformative business performance. Leaders across industries rely on the Anaplan platform—powered by its proprietary Hyperblock® technology—to connect teams, systems, and insights from across their organizations to continuously adapt to change, transform how they operate, and reinvent value creation. The Anaplan platform enables businesses to be more agile, make better decisions and to plan and execute their ongoing digital transformation to compete in today's digital economy. The \$7.8B company is trading 13.8X FY22 EV/Sales with revenues seen rising 23-25% each of the next two years after rising to \$447.8M in 2021 from \$168.3M in 2018. Analysts have an average target of \$84 on shares with short interest down 45% Q/Q though still elevated at 11% of the float. Piper was out with a note in January saying 2021 may usher in the next back-office makeover, long overdue since the last was Y2K. It notes a \$21B TAM for PLAN that it has only captured a 3% market share. Mizuho and Wells Fargo both defended shares following the earnings sell-off, a significant back-office opportunity for cloud initiatives, easing comps and an improving billings trajectory. Hedge Fund ownership fell modestly in Q4 filings, Coatue and Kensico with large positions.

Hawk Vision:



Hawk's Perspective: PLAN remains richly valued though the opportunity is clear and it is a well-run SaaS name, have to see interest return to the high growth names to support these multiples.

Confidence Ranking: \$\$



FEATURED OPTIONS RADAR REPORT



Qualcomm Put Sales See Limited Downside into 2H

Ticker/Price: QCOM (\$139)

Analysis:

Qualcomm (QCOM) with 1000 October \$140 puts sold to open today for \$14.15 to \$14.05 and later 1750 July \$105 puts sold to open for \$1.15, follows buyers recently in the June \$140 calls over 7,950X around \$6.25. The October \$115 and \$125 calls have also seen buying recently while the June \$130 calls with 5,900 in open interest from action on 3/25. Shares are working out of a downtrend and base this week with room back to \$150 and then a gap to recent highs. The 50-day MA is where shares stalled out this morning and key spot to reclaim. The \$153B company trades 17.35X earnings, 5.75X sales, and 12.5X cash with a 1.85% yield. QCOM recently cleared a notable overhang with the FTC choosing not to pursue a SCOTUS review of their antitrust case and investor focus should turn back to the robust 5G cycle and growth opportunities in 2021. QCOM continues to hold a strong position in handsets and their tech is expanding into other exciting areas like automotive and gaming devices. Analysts have an average target for shares of \$163.50 with a Street High \$200. Piper upgrading to Overweight on 3/4 citing valuation with the company's core business remaining strong with 5G handsets growing 150% in 2021 and 47% in 2022. JP Morgan positive in February as they think QCOM has catalysts in the 2H from broader 5G adoption and increasing 5G mix in 2021 along with a bounce back in earnings from the combination of pricing and reduction of supply constraints. Short interest is minimal at 1.95%. Hedge fund ownership rose 1% in Q4, Polar Capital a new 1.44M share position.

Hawk Vision:



Hawk's Perspective: QCOM is running right into resistance today at the 50-day MA and would prefer to see it pull back and re-test this base before initiating a position but overall a nice risk/reward vs the 200-day to play for a run back at the prior highs

Confidence Ranking: \$\$



FEATURED OPTIONS RADAR REPORT



Yum Calls Hot into Weekly Breakout Move

Ticker/Price: YUM (\$115)

Analysis:

Yum Brands (YUM) with buyers early today for more than 2,000 October \$115 calls from \$6.15 to \$6.50 and volume up over 2,850 this afternoon at \$7. YUM has some buy-write strategies in the January \$110 and \$115 calls but nothing else of note in open interest. Shares are breaking out strong today on volume of a bull flag and narrow 15-week range with long-term upside to \$125. The \$32.7B company trades 24.33X earnings, 5.8X sales, and 44.8X cash with a 1.8% yield. YUM is guiding to high-single digit growth in both FY22 and FY23 with EPS growing in the mid-teens. The company is coming off a strong quarter with the majority of their franchisees in strong shape and positive tailwinds into the 1H of the year from reopening plans. YUM pivoted into more digital strategies early in the pandemic and benefited all year from higher drive-thru and delivery orders as well with partnerships from DoorDash helping boost KFC in the US. They also continue to see some margin expansion as they benefit from better labor costs. YUM is investing in some interesting verticals as well including a partnership with Beyond Meat (BYND), their deal for TikTuk in late March, and an acquisition of Kvantum in early March, a consumer insights business which will help all of their restaurants make better decisions on menu changes and marketing. Analysts have an average target for shares of \$105 with a Street High \$125. Atlantic started coverage at Neutral today with a \$118 PT and thinks the company has navigated the last year well. Wells Fargo upgraded to Overweight in December citing strong consumer spending backdrop in 2021 and casual dining is poised to benefit most of all. Short interest is 1.5%. Hedge fund ownership fell 6.5% in Q4, Magellan and Soroban both notable buyers of stock.

Hawk Vision:



Hawk's Perspective: YUM has run too much today to chase but the weekly pattern with the cup-and-handle break has plenty of room for continuation higher and with the longer timeline, one to let setup again before getting involved

Confidence Ranking: \$\$

Additional Options Flow

Market/ETFs

Silver (SLV) with 6,000 December \$20 ITM calls bought for \$4.35. **SIL** ETF also with bull flows into July \$45 calls with 5500X early

Short Treasury (TBT) with 10,000 July \$20 puts sold to buy the \$21/\$24 call spreads

Russell (IWM) with 5000 July \$223 puts sold to open \$8.69

S&P (SPY) with 7000 July \$410 synthetic long positions opening as the \$350 adjust

Nasdaq (QQQ) buyer 9000 April 23rd (W) \$321 puts \$2.34. **QQQ** stock buyer put on 5000 December \$380/\$280 collars

ARK Innovation (ARKK) with 7500 June \$109.96 puts opening \$4.90 as April \$115 adjust, also 5000 June \$114.96 puts bought \$6.40 as April \$125 adjust

Biotech (XBI) deep ITM risk reversal opens 1000 January 2023 \$116/\$105 at \$26.53

Gold Miner (GDX) stock replacement opened 4900 May \$31.50 calls for \$3.40

Consumer Goods

Advanced Auto (AAP) with 1250 May \$185/\$210 call spreads bought to open for \$6.40 today

Wal-Mart (WMT) 10,000 May \$150 calls bought for \$1.07 this morning before the Flipkart news

Altria (MO) opening sale 10,000 May \$55 calls near \$0.495

AutoZone (AZO) the May 14th (W) \$1500/\$1600 call spread bought 300X900 today for \$7.60, similar to ratio call spreads earlier this week

Camping World (CWH) with 500 September \$38 calls bought for \$6.60 this afternoon

Consumer/Business Services

VIP Shops (VIPS) over 8000 April 30th (W) \$35 calls bought today around \$0.80 as it moves green and up 3% following the block trades today from Credit Suisse

Ralph Lauren (RL) buyer of 2000 May \$120 puts for \$5, adjusting back some positions from 3/23

PVH Corp (PVH) the May \$120 calls being sold to buy the \$100/\$85 put spread this morning, 2500X, for \$2.15

Papa Johns (PZZA) with 1000 April 30th (W) \$88.50 puts bought for \$3.25, earnings expected around then

Travel & Leisure Co (TNL) with 1000 August \$65 calls opening near \$6.50 to \$7 this morning

MGM Resorts (MGM) with 2000 January \$40 puts sold to open \$5.33

Nike (NKE) with 1475 May 14th (W) \$135 calls opening \$5.10 to \$5.25

Grupo Televisa (TV) unusual buyer 2000 May \$10 calls \$0.35. **TV** is reportedly in talks to merge some assets with **Univision** and report today that Softbank is also looking to invest in the new venture

SX Tech-Edu (GSX) buyer 10,000 April 23rd (W) \$34/\$50 call spreads, another name with call buying from the Archegos blowup

Interactive (IAC) with 1000 May \$250 calls bought for \$9 as some April positions adjust

Kohls (KSS) with 1,500 April 23rd (W) \$58 calls bought for \$4.10 to \$4.20, nicely coiled name that is facing activist pressures

Dicks Sporting Goods (DKS) with 1,575 April \$85 puts bought for \$3.40, tied to stock

Caesars (CZR) spreads today are selling 2500 April \$100 calls to buy 5,000 of the \$89.50 puts, likely protective against stock

Bed Bath & Beyond (BBBY) with 5000 April \$30 puts bought for \$3.15 today

Marriott (MAR) with 1000 January \$170 calls bought today for \$11.75 to \$11.80

Las Vegas Sands (LVS) buyer of 1000 January \$72.50 calls for \$5.25 to \$5.35

DoorDash (DASH) buyer 250 August \$145 calls \$15.30 to \$15.40

Etsy (ETSY) with 300 September \$210 calls bought for \$30.75

Cedar Fair (FUN) with 600 Oct. \$55 calls bought today for \$3.75 to \$4 as some January \$50 calls adjust

Capri (CPRI) with 4000 May 7th (W) \$50/\$43 put spreads bought to open today for \$2.13

Wynn (WYNN) opening sale 300 September \$145 ITM puts \$22.65, stock replacement

The Gap (GPS) with 1000 June \$27 puts sold to buy the \$30/\$34 call spread with shares just below recent highs

Home Depot (HD) with 10,000 May \$325 calls sold to open down to \$4.96, seeing that is several large caps today

Energy

Exxon (XOM) with nearly 5000 April 30th (W) \$57 calls being bought \$2 to \$2.10 this morning

Philips 66 (PSX) with 750 January 2023 \$80 calls selling to open \$12.70 bid

Financials

Zillow (Z) with 10,000 September \$120 calls bought to open today for \$31.60, sizable purchase into recent weakness and basing action above its 200-day MA

BGC Partners (BGCP) buyer of 5000 June \$6 calls for \$0.49, the \$4.50 calls starting to adjust higher from 3/26. **BGCP** also now 6000 May \$6 calls bought \$0.40 as April \$5 adjust

Bank America (BAC) with 1800 September \$41 calls bought \$2.40 offer

Rocket (RKT) buy-write with 1500 January \$30.89 calls sold for \$3

Morgan Stanley (MS) with 1,500 January 2023 \$62.50 puts sold to open for \$5.55, adjusting some January 2022 short puts

Capital One (COF) buyers of 1000 May \$120 puts today for \$2.27 to \$2.31

Lemonade (LMND) with 1000 April 23rd (W) \$103 calls seeing action near \$3.50 with the strong pop to day highs

Jones LaSalle (JLL) with 900 June \$170 puts sold to open \$5.30

PayPal (PYPL) buyers 2000 May \$290 calls \$2.80 to \$3.10

Kilroy (KRC) buyer of 400 November \$60/\$80 call spreads today for \$8.40. coiled in a multi-week range under \$70

Toronto Dominion (TD) with buyers of 1750 May \$65 puts for \$1.05 to \$1.10

Hartford (HIG) with 590 January \$70 calls bought for \$5.70 to \$5.90 today in stock replacements, a number of potential suitors reportedly eyeing the company

OpenDoor (OPEN) with 2000 June \$21 and 2,000 June \$19 puts sold to open this afternoon for \$2.90 and \$1.90 respectively

Fortress (FTAI) with 2000 July \$26 puts sold to open today for \$1.95 in a stock replacement

Thomson Reuters (TRI) buyer 2500 May \$90 calls for \$2.70 adjusting the April calls

Healthcare

Centene (CNC) with 1700 May \$57.5 puts sold to open \$1 to \$0.95

Humana (HUM) with 1000 August \$440/\$400 ITM put spreads opening

Regeneron (REGN) with 1000 April 30th (W) \$470/\$490 call spreads opening

Illumina (ILMN) with the May \$400/\$350 ratio put spreads bought 840X1680 at \$9.50 debit, still has the FTC overhang for its Grail deal

AbbVie (ABBV) with 2,000 June 2022 \$90 puts sold to open for \$6.73 as 4,000 May \$95 short puts adjust out

Reata (RETA) with 1700 May \$70 puts opening up to \$4.60

Quidel (QDEL) with 150 September \$140 ITM puts sold to open today for \$25.80 to \$25.60

Amgen (AMGN) with 10,000 May \$265 calls sold to open for \$2.30 to \$2.15

Heron Therapeutics (HRTX) with 1000 May \$18 calls bought today for \$2.98 to \$3.03, some being spread with the \$30 calls

Immunogen (IMGN) interesting trade puts on 3000 July/October \$10 calendar call spreads for \$0.90

Argenx (ARGX) nice 200-MA base after a correction, spreads today selling 725 May \$260 puts to buy the \$310/\$340 call spreads

TelaDoc (TDOC) buyers this afternoon of 350 January \$155 calls for \$43.75 to \$44.20, follows the size put sales last week

Avid Biosciences (CDMO) with 1,000 May \$20/\$25 call spreads bought for \$1.25 today in a stock replacement, coiled above its rising 50-day MA and under new highs

Industrials

American Air (AAL) with 8100 June \$23 puts bought \$1.77 to \$1.81

Terex (TEX) spreads selling 1000 July \$55 calls to buy the \$40 puts, may be collaring shares

DR Horton (DHI) with buyers of more than 10,500 May \$95 calls up to \$3.90 as the May \$85/\$72.50 bull risk reversal closes over 6500X and adjusts

Southwest (LUV) with 3,500 May \$65 calls bought for \$2.80 to \$2.95

Ford (F) buyer 1200 March 2022 \$15/\$20 call spreads

General Dynamics (GD) with 1125 May \$190 calls sold for \$3.20 to \$3.30 today in a buy-write

General Motors (GM) with 1,500 May \$62.50 puts sold to open today for \$4.25

United Parcel (UPS) opening sales 7000 June \$190 calls down to \$1.69

Proto Labs (PRLB) a top additive manufacturing play with 200 December \$130 ITM puts sold to open for \$30.50

Spirit Airlines (SAVE) with 150 September \$55 ITM puts sold to open today for \$18.05

Middleby (MIDD) spread today opens 250 May \$160/\$140 bull risk reversals for \$10.71 with the June \$190 calls sold for \$2.71

Materials

SSR Mining (SSRM) with 5,000 June \$16 calls bought today for \$1.20

Franco Nevada (FNV) working higher with Gold and seeing 1800 October \$125 puts sold to open \$8 to \$7.70

Air Products (APD) with 6,500 May \$300 calls sold to open today for \$4.80 to \$4.50

Kirkland Lake (KL) opening sale of 1125 May \$35 puts for \$1.65 to \$1.60 as it works out of a base this week

Cornerstone Building (CNR) over 1200 June \$12.50 calls bought throughout the day from \$2.85 to \$3.10, a small cap manufacturer of exterior products for homes we profiled in December

Tech and Telecom

Juniper (JNPR) with 1200 July \$22 ITM calls bought for \$4.20 today

Zoom (ZM) buyer 1000 May \$300/\$320 call spreads

DataDog (DDOG) aggressive offer sweeps May \$90 calls 5000X up to \$4.90

Snap (SNAP) near-term calls very hot early with 4000 of the April \$64 and 9800 of the April \$67 calls

Facebook (FB) buyers of 5000 July \$340 calls up to \$9.30, adjusting June \$300's

Baidu (BIDU) September \$300 calls active with buyers 2100X

Z-Scaler (ZS) with 1250 May \$195 calls bought up to \$4.55. **ZS** May \$195 calls are up over 4450X

ON Semi (ON) July \$45 calls up to 3800X bought early now as bullish positioning continues

Roku (ROKU) rallying to the highs with 3,000 May \$390 calls bought up to \$20.05 to open

II-VI (IIVI) with 2,000 July \$70 puts sold to open today at \$6 as the \$60 short puts from 3/25 look to be adjusting back in strikes

Pinduoduo (PDD) strong above 21-MA and seeing 2000 May 7th (W) \$150 puts sold to open \$10 to \$9

American Tower (AMT) with 400 January \$250 puts sold to open today \$26 to \$25.95 in stock replacements

Applied Materials (AMAT) opening sale of 4,100 June \$125 puts for \$3.90 this morning with their Investor Day

Pure Storage (PSTG) with 1,500 November \$25 puts sold to open for \$5.50 into the dip this afternoon

Tencent Music (TME) highs of the day and 4,000 July \$26 calls bought mid-day from \$0.97 to \$1.12

VMWare (VMW) with 1000 July \$160 calls sold to open today for \$5.20

IBM (IBM) with 10,000 June \$145 calls sold to open \$1.47 to \$1.40

Dell (DELL) back near record highs with 2000 July \$95 calls bought today \$3.425, name with a lot of bullish OI

Western Digital (WDC) rebounding off the lows with 1000 May \$75 calls bought for \$3.50

Flextronic (FLEX) trade sold 10,000 May \$18/\$16 put spreads for \$0.55 to buy the \$20 calls for \$0.55, zero cost trade

Shopify (SHOP) stock replacement this morning bought 1000 January 2023 \$1160 calls at \$279.20

Anaplan (PLAN) spread this afternoon sells 4,000 May \$50 puts to buy the \$60/\$72.50 call spread for a net \$1.15 and follows the August risk reversals yesterday

Coupang (CPNG) buyer of stock puts on 5,000 November \$55/\$40 collars today for a \$0.10 credit

Utility

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