



MARKET RECAP REPORT 5/20/2021

Sector Leaders

Solar

Semiconductors

Software

Stock Gainers

IOVA 17%

EOSE 13.8%

GENI 13%

LSPD 13%

IMAB 13%

DTIL 11%

Volatility Gainers

- SLGG
- SPCE
- ARDX
- UPST
- NERV
- DSX

High Call Volume

- USFD
- IOVA
- CP
- AGEN
- CSTM
- KSU

Bullish Options

- FB
- SNAP
- LYV
- FSLY
- AMD
- SE
- BX
- U
- CAR
- MA
- PRCH
- MARA

Market Review: Stocks were fairly quiet overnight as the Fed tapering talk from Wednesday was digested by markets and commodities continued to move lower while supply challenges remain a focal point for many companies. In pre-market economic data jobless claims came in under estimates while Philly Fed sharply missed expectations. Stocks rallied through the morning with Tech leading and a trend-up day developing as the S&P Futures moved back to 1-month VPOC. The rotation back to growth and out of 2021 winners like Banks, Energy and Retail continued. We started to fade early afternoon off trend resistance of the prior two highs as well as the 21-day moving average in the S&P.

S&P Chart:



Resistance	Support
4,170	4,110
4,220	4,055
4,385	4,030

Options Action Trends: We saw some early bullish flow return to growth names like **FB, SNAP, U** but also a good mix of put buying on the day. Some adjustments out of May expiry continued and overall not a ton of large trades but some bullish Index flows.

What's On Tap: Flash PMI Reports for May and Existing Home Sales. May OpEx and Earnings from **DE, VFC, FL**.

Trade Tracker Portfolio Changes:

- 1) No Changes

Sector Laggards

Retail

Energy

Banks

Stock Losers

FF -20%

FOSL -11%

KSS -11%

OMER -10.6%

SBLK -9%

REGI -8.2%

Volatility Losers

- LSPD
- ALLO
- IOVA
- OMER
- MSTR
- PLCE

High Put Volume

- ARRY
- YALA
- ERIC
- GES
- CPB
- HPE

Bearish Options

- APP
- LPL
- RLX
- UPST
- MU
- DGX
- YALA
- JWN
- PLTR
- CTS
- AFRM
- JMIA



FEATURED OPTIONS RADAR REPORT



Bulls See Box Office Recovering with IMAX to Benefit

Ticker/Price: IMAX (\$20.8)

Analysis:

IMAX Corp (IMAX) on 5/19 with a large late day purchase of 6000 January 2023 \$25 calls for \$3.70 offer, positioning for long-term upside and a name lacking any other notable open interest. IMAX shares have run up since the November vaccine news but the last few weeks basing on the rising 21-week moving average and \$22 and \$24 key levels to clear. IMAX has been making lower highs since its 2015 peak and above the 2021 highs would inflect the trend as well as get back above VWAP from those highs. The 2021 high was right at a 50% retracement while \$29.40 is the next retracement level at 61.8%. IMAX is one of the world's leading entertainment technology companies, and top filmmakers and movie studios utilize the cutting-edge visual and sound technology of IMAX to connect with audiences in innovative ways. As of December 31, 2020, there were 1,650 IMAX Theater Systems operating in 84 countries. The Company has developed IMAX DMR, a proprietary technology that digitally remasters Hollywood films into IMAX formats. IMAX currently has a market cap of \$1.2B and trades 22X Earnings, 10X FY22 EBITDA and 5.8X FY21 EV/Sales with \$268M in cash. Forecasts see revenues rising 66% in 2021 and another 56% in 2022 as it rebounds from the pandemic. IMAX has been positive lately on early trends in China and has been expanding in that region. IMAX was able to survive the downturn and improve its cost structure while preserving the balance sheet making it very nimble and able to bounce back quickly as the box office recovers. IMAX is also exploring ways to leverage its brand and technology for in-home entertainment and the streaming market. Through IMAX Enhanced, they optimized blockbuster content for in-home consumption and provide the best movie experience outside the theater. IMAX is currently searching for a new CFO. Analysts have an average target of \$25.50 on shares with short interest at 7% of the float. Macquarie raised its target to \$30 on 4/30 citing the return of Hollywood and its premium brand and global diversification. Wedbush upgraded to Outperform with a \$26 target on 4/23 citing pent-up demand for out-of-home entertainment being seen in Asia is likely to carry over to Europe and the US.

Hawk Vision:



Hawk's Perspective: IMAX should post very strong numbers the next two years and re-rate higher while the chart also sets up well versus the March lows, a good reward/risk here in my view.

Confidence Ranking: \$\$



Unity Bulls Position for Rebound after Valuation Compression

Ticker/Price: U (\$89.85)

Analysis:

Unity (U) significant activity on 5/18 with more than 2000 August \$100 calls bought for over \$1.1M and June \$100 and \$105 calls also seeing recent accumulation. Back on 5/6 the June \$110 calls bought 12,500X to open. U has also seen plenty of longer-dated put sales in the \$80-\$95 strike range. U shares ran hard after its September 2020 debut and hit highs above \$170 before being cut in half and recently putting in a weekly reversal near the \$75 level. U remains in a downtrend but the falling wedge developing on the daily is showing signs of a bullish RSI divergence. Unity is a leading 'pick and shovel' play on gaming growth through their licensed game engine which is used to develop games, 3D content and other apps. Unity has a dominant market position with more than 50% of PC, mobile, and console games developed on the Unity platform and entering a multi-year period of strong visibility and growth with the new console launches late in 2020. Unity and its engine for creating real-time content is driving a structural shift in the way that video games are created. Unity is still in the very early days of extending its platform into non-gaming verticals, adding more option value for long-term growth. Beyond gaming, Unity is seeing rapid adoption in the architecture and automotive verticals and to a lesser degree in film. Unity does well relative to the host of competitors because of its heavy ongoing investment in R&D as well as the strength of its partnerships with a variety of gaming platforms. U's market cap is currently \$23B and valuation at 18X FY22 EV/Sales is down sharply but remains quite elevated, though a hyper-growth name that has delivered 40%+ revenue growth each of the last two years and seen delivering 25-30% annual growth the next three years. U is also aiming to be free cash flow positive by the end of 2023. U operates with high grow margins but wants to keep investing in growth as it balances a profitability push. Analysts have an average target of \$120 and short interest is 8.9% of the float. On 5-12 Goldman reiterated a Buy and a lowered \$121 target, encouraged to see the strong execution and improved outlook in spite of IDFA headwinds. OpCo raised to Outperform with a \$103 target last week as a compounding growth story for many years ahead. DA Davidson lowered its target to \$150 noting multiple compression but an attractive entry point. Stifel raised shares to Buy with a \$125 target after the quarter with the IDFA storm passing and sees projects accelerating to support its high multiple with use-cases expanding. ARK Investment, D1 Capital, and Altimeter notable concentrated holders.

Hawk Vision:



Hawk's Perspective: U remains a favorite growth story, just a tough environment for high multiple stocks, but think in the end the future remains bright. For the short-term looking for some sustained price momentum above its 8-MA.

Confidence Ranking: \$\$



FEATURED OPTIONS RADAR REPORT



Live Nation Bulls Targeting More Upside as Concert Season Takes Shape

Ticker/Price: LYV (\$89)

Analysis:

Live Nation (LYV) with buyers today of 1,650 June \$87.50 calls for \$4.80 to \$5.10 and follows 1,500 October \$67.50 puts sold to open yesterday. LYV has seen buyers of the June \$80 calls recently, over 4000X, and the June \$90 calls with over 2,000 in open interest from buyers as well. Shares have traded well recently back above the 8- and 21-day MA and out of a weekly bull wedge that targets new 1-year highs. A move above \$93.50 has room up to \$110 and LYV one of a handful of 'reopening' plays back above their 2019 range. The \$18B company is one of the more 'pure play' recovery names and shares trades 6X cash with profitability improving and revenue trends expected to be back around 2019 levels by FY22. LYV has seen a surge in concert announcements over the last two weeks as artists return to the road and venues begin booking at full or close-to-full capacity starting next month. LYV noted earlier this month that they've seen M/M growth in ticket sales on TicketMaster since March while Festivals will be a big driver upcoming. They also noted that refund rates are falling as visibility into rescheduled shows improves. LYV has been active consolidating the sprawling US music and entertainment venue space and could potentially get back into deal making as the environment improves. Analysts have an average target for shares of \$76 with a Street High \$100. Wolfe starting at Outperform on 5/13 citing seeing the company poised for a multi-year cycle of strong growth as re-opening accelerates with added benefits of a favorable supply / demand and a structurally stronger margin profile emerging from the pandemic. They also think LYV is positioned to grow market share given its scale and vertical positioning in live entertainment. Short interest is 5.5%. Hedge fund ownership fell 17.5% in Q1. Liberty added another 15.9M shares while Putnam Investments, Light Street Capital, and Hitchwood all adding as well.

Hawk Vision:



Hawk's Perspective: LYV is a name I like purely as play on the reopening / pent-up demand for experiences theme and sentiment will continue to improve into the Summer season, a re-test of the recent breakout area around \$85 in focus

Confidence Ranking: \$\$



FEATURED OPTIONS RADAR REPORT



Bull Spread in Academy Sports Sees New Highs As Outdoor Theme Persists

Ticker/Price: ASO (\$34)

Analysis:

Academy Sports (ASO) buyer of 2375 December \$35/\$45 call spreads for \$2.75 and follows sellers in the June \$30 puts and buyers of the July \$40 calls on 5/5, the latter over 5,000X. ASO has also seen sellers in the October \$35 puts recently. Shares have held up well lately and shallow pullback this week back to the rising 21-day MA and low-end of May value. ASO is back-testing the prior range breakout and a move above \$35 sets up for a run to \$42. The \$3.15B company trades 9.5X earnings, 0.55X sales, and 8.3X cash. ASO is a sporting goods and outdoors retailer in the US with locations across 16 states, especially focused on the South. ASO pre-announced strong Q1 comps in early May of 38.9% as they continue to benefit from strong consumer trends towards outdoor activities. ASO was at the JP Morgan conference in mid-April and noting that they've seen a lot of repeat customer business, especially around hunting and fishing, while swimming pool sales have been off to a hot start in 2021. They've been managing inventory better and big ticket items (kayaks, bicycles, treadmills) are all seeing tailwinds from stimulus checks which they expect to carry over into Q2. Analysts have an average target for shares of \$26.50 with a Street High \$40. Credit Suisse starting at Outperform on 5/18 as stock is valued attractively relative to peers based on its EBITDA growth but there remains some questions around firearm sales going forward. Loop Capital positive in January citing category tailwinds that include more at-home fitness and outdoor activities, high exposure to geographically-attractive areas, and the company's accelerating e-commerce business. Short interest is 14.55%. Hedge fund ownership fell 9% in Q1, Samlyn Capital a buyer of 728K shares of stock and now over 2.87M shares. Park West also with a new stake.

Hawk Vision:



Hawk's Perspective: ASO spreads are a nice risk/reward for a name that held up great and back at an attractive short-term spot with earnings in mid-June, name much like **DKS** yesterday that will likely post blowout numbers

Confidence Ranking: \$\$

Additional Options Flow

Market/ETFs

Semiconductor Bull (SOXL) buyers 5500 June \$33 calls this morning \$3.50 to \$3.70

Vanguard Total Stock Index (VTI) with 4000 December \$185 puts being sold to open for \$5.40

Russell (IWM) buyers active for 6000 June 4th (W) \$218 calls this morning up to \$4.65. **IWM** buy-write with 4000 September \$234 calls sold for \$5.28

S&P (SPY) buyers hot for 30,000 July \$424 calls this morning near \$4.72, though also seeing buyers of 11,000 July \$393 puts for around 1/2 the call net premium

Russell Growth 1000 (IWF) with 4000 July \$245/\$215 put spreads bought for \$5.40

Consumer Goods

RLX Tech (RLX) the October \$12.50 calls being sold to open today for \$2.70, over 1550X

Campbell Soup (CPB) with 10,000 June \$46 puts being sold to open today \$0.50 to \$0.35

ConAgra (CAG) nice set-up on the daily with buyers 1850 September \$38 calls here \$2.10 to \$2.15, earnings late June. **CAG** Sep calls are now up over 4000X

Harley (HOG) buyer of 10,000 June 11th (W) \$48 calls for \$1.65, looks to be adjusting some June call spreads

Sysco (SYT) with 1,625 August \$80 calls opening for \$6.60, adjusting some May calls

Consumer/Business Services

Avis Budget (CAR) buyers active for 1,795 August \$100 calls for \$3.80 this morning

Unity (U) jumping with buyers now coming into August \$115 calls 1750X at \$3.30 offer, also trades another 3000 June \$105 calls

Porch (PRCH) recent run continues and 1100 November \$20 calls with buyers \$3.10 to \$3.20

Nordstrom (JWN) with 2000 June \$40 puts bought for \$4.05 now as well

VIP Shops (VIPS) IV rising with another 6,000 June \$24 calls bought for \$0.95 to \$1

Under Armour (UAA) next week \$21.50 calls hot 7500X after October call accumulation the past week

Starbucks (SBUX) with 3,000 June 2022 \$95 puts bought for \$635 today, tied to stock

Etsy (ETSY) with 2500 June \$180 calls opening \$7.29 as May \$165 adjust

Viacom (VIAC) with 1,000 December \$40 puts sold to open mid-day for \$5.95 to \$5.70

Tapestry (TPR) buyer of the June \$45 calls 3,200X for \$1.30 to \$1.35, adjusting back the \$47.50 calls

Wynn Resorts (WYNN) stock replacement sells 1,000 January \$95 puts for \$5.50

Carvana (CVNA) with 1000 June \$250/\$290 call spreads bought today with the \$210 puts sold to open, net \$4.37

Carnival (CCL) buyer 5000 June 2022 \$22.50 puts for \$2.87

Abercrombie (ANF) buyers of 6000 June \$40 calls here ahead of earnings next week adjusting the \$42

Energy

Liberty Oilfield (LBRT) spreads selling 1000 December \$14 puts to buy \$15/\$16 call spreads

Array Tech (ARRY) another 5,000 October \$15 puts being sold to open today for \$2.75/\$2.70, same trade as yesterday

Baker Hughes (BKR) with 650 January 2023 \$27 puts sold to open today for \$6.45, stock replacements. **BKR** now with 1500 January \$25 puts sold to open for \$3.30

EOG Resources (EOG) with 4000 July 2nd (W) \$95 OTM calls bought around \$1

Financials

Blackstone (BX) another 2,750 June \$87.50 calls bought this morning for \$3.40. **BX** now 1000 July \$90 calls bought \$3.65 offer

UpStart (UPST) with 500 June \$135 puts bought this morning from \$22 to \$22.50, follows the size June \$120 puts bought yesterday in the financial. **UPST** looks like those 2000 June \$120 puts are rolling back to the \$140 strike already for \$24

MasterCard (MA) size buyers 1700 September \$370 calls \$20.75 to \$22.45. **MA** now also seeing some call spreads roll back from higher strikes and buy the June \$375/\$395 spread 1,500X3,000

Marathon (MARA) buyer 1950 August \$29 calls \$4.50+ this morning as crypto bounces. **MARA** now also with 5,500 June 4th (W) \$31 calls bought for \$0.77

BGC Partners (BGCP) ramping a bit with 2400 August \$5 calls being bought. **BGCP** also 7000 July \$6/\$7 call spreads bought

Coinbase (COIN) with 1000 June 4th (W) \$270 calls bought to open in three increments, one at \$3.60, one at \$3.90, and one at \$4.70

Fair Isaac (FICO) with 500 June \$510 calls bought for \$13, adjusting some May calls

Square (SQ) buyer earlier 500 July 2nd (W) \$200 ITM calls \$16.10

Citi (C) with 5000 July \$85 calls sold today for \$0.92 in a buy-write

Realty Income (O) with 1000 January \$70 calls bought for \$2.48 today and spread with the September \$60 puts sold for \$1.20

PNC Financial (PNC) opening sale 1275 August \$155 puts \$2.20

Ventas (VTR) opening sale 2000 August \$57.5 calls \$1.60

Green Dot (GDOT) jumping this afternoon with 1,000 September \$40 calls bought \$4.50

ING Group (ING) with 7500 January \$13 puts sold to open today \$1.45 to \$1.35

Healthcare

Agenus (AGEN) buyer of 2,000 January \$4 calls for \$1.33, adjusting the May \$3 calls out with the recent gap higher

Zogenix (ZGNX) with 4,000 July \$21/\$25 call spreads bought to open this morning for \$0.70, may be adjusting back some of the buying from February

Quest Diagnostics (DGX) with 2000 August \$140 calls sold to open today for \$2.45

Teladoc (TDOC) large complex spread sold 1000 December 2022 \$195 calls and the \$140/\$110 put spreads to open and bought 1000 January 2023 \$120 calls. **TDOC** also 750 August \$130 puts selling to open \$9.40 today

Teva Pharma (TEVA) with shares at \$10.70 seeing spreads sell 3000 December \$11 puts and buy the \$12/\$17 call spreads

Cure-Vac (CVAC) IV rising midday with 800 June \$90 puts bought \$5.90 to \$6.20

ViewRay (VRAY) the June \$6 calls bought 5,000X for \$0.45 to \$0.50, some May calls adjusting out

Ionis Pharma (IONS) spread sells 1,866 July \$35 puts for \$1.50 and buys the October \$35 calls for \$5.55 into weakness

Apellis (APLS) turns lower with a large spread in October selling 3000 of the \$55/\$65 call spreads to open, and also sold 3000 of the \$35/\$22.5 put spreads, Iron Condor

Tenet Health (THC) opening sale of 1000 January 2023 \$37 puts for \$4.10

Celldex (CLDX) with 2000 January \$30 calls bought for \$7.40, May \$25 adjusting

Cardinal Health (CAH) buyers of 1800 January \$65 calls for \$1.80, basing above the 200-day after gapping down on earnings recently

Zoetis (ZTS) with 475 July \$165 ITM calls bought to open around \$12.00 to \$12.10

Dexcom (DXCM) with 300 September \$350/\$380 call spreads bought for \$12

Reata (RETA) opening sale 500 June \$115/\$100 strangles for \$10.50

Exact Sciences (EXAS) strong day today and midday saw 3000 next week \$107 calls opening \$3 to \$3.15

Industrials

Tesla (TSLA) with 1000 March 2022 \$640 calls opening near \$95, and the March 2022 \$650 calls trading nearly 4000X which look to be adjusting back March 2023 \$900 calls

Eaton (ETN) with 500 October \$140 puts sold to open for \$8.30. **ETN** also with 500 October \$145 calls bought now for \$7.80

KC Southern (KSU) with 1500 September \$250 puts bought \$3.55 today

Ford (F) buyers active for 45,000 June \$14 calls today with some May adjustments

Spirit Aero (SPR) with 750 July \$44 short puts opening \$3.80

Fortress (FTAI) buyer of the July \$28/\$31 call spread 10,000X for \$1.30

Ryder (R) with 2000 June \$80 puts bought for \$2.80 to \$3

KB Home (KBH) with 1,000 April 2022 \$45 puts sold to open for \$7.80

Delta (DAL) with 1,500 September \$42 ITM calls bought for \$6

Materials

Teck Resources (TECK) the June \$25 calls bought 4500X into the early lows for \$0.55

Constellium (CSTM) with 5,748 June \$18 calls bought for \$0.56 as some May calls roll out. **CSTM** now with 5,000 January \$27/\$35 call spreads bought for \$0.53

Agnico Eagle (AEM) buyer 1200 September \$60 puts \$1.30

US Steel (X) into this dip seeing 5000 January 2023 \$25 calls bought \$7.40 to \$7.45 offers on wide bid-ask spreads. **X** block of 1500 January 2023 \$22 puts sells to open \$6.35

International Paper (IP) buy-write with 2500 July \$65 calls sold for \$1.30

US Concrete (USCR) buyer of 600 deep ITM June \$35 calls \$18.30 to \$18.80

Graphic Packaging (GPK) with 1000 July \$10 ITM calls bought for \$7.90 to \$8 today

Mosaic (MOS) with 1000 January 2023 \$25 puts sold to open today for \$3.40 to \$3.35

Alcoa (AA) 1200 June \$45 short puts opening \$9.49 as May adjust

Schnitzer Steel (SCHN) with 600 November \$45 calls bought this morning for \$11.90

Tech and Telecom

Snap (SNAP) sweep buyers 3900 next week \$57 calls. **Snap (SNAP)** with 2000 September \$70 calls bought to open. **SNAP** also 1400 June 2022 \$35 puts sold to open \$2.625

Facebook (FB) buyer 6500 October \$270 calls for \$57.24 as May \$220 adjust

Advanced Micro (AMD) buyer 1500 March 2022 \$77.50 calls \$10.65, also seeing some June call activity, announced \$4B buyback yesterday

Micron (MU) lows with 6000 June 4th (W) \$74 puts bought \$0.73 to \$0.77

Sea (SE) buyer 2000 June 4th (W) \$265 calls for \$2.70 as some May \$240 adjust

Joyy (YY) buyer 2500 next week \$87/\$100 call spreads for \$4, 5-27 earnings

JD (JD) buyer 5000 October \$67.50 calls \$10.70 where 8000 opened yesterday

Elastic (ESTC) seeing 1,500 June \$100 puts sold to open for \$2.45, some May \$105 short puts adjusting out

Palantir (PLTR) with 4000 June 2022 \$27 puts opening as May \$27 puts adjust, also seeing 15,000 August \$20 calls active with opening sales

Pinduoduo (PDD) buyer of 1000 June 4th (W) \$155 call for \$2.22 to \$2.25, earnings 5-26. **PDD** now with another 2700 June 4th (W) \$155 calls bought for \$1.70 as some May 28th (W) calls adjust

DocuSign (DOCU) buyer of 1000 June 4th (W) \$200 calls \$7.65 for 6-3 earnings

Microsoft (MSFT) buyers active for 3350 June 2022 \$260 calls today near \$21.35

Magnite (MGNI) spread today sells 3,000 September \$25 puts for \$3.14 and buys the \$30/\$40 call spread 6,000X for \$2.54

Twilio (TWLO) buyer of 1000 January 2023 \$250 puts today for \$46.50, tied to stock

Dell (DELL) spread sells 2900 July \$95/\$90 put spreads to buy the \$105 calls

Jumia (JMIA) with 3,000 June \$23 puts bought for \$0.92 today and also seeing 1,450 August \$28 puts bought for \$5.25

Micron (MU) opening sale 4500 January 2023 \$60 puts for \$6.25

Netflix (NFLX) with 1200 July \$525 calls opening \$13.78, appears some \$530 adjusting back

Cerence (CRNC) IV fading with 1400 August \$110 calls selling to open \$3.60

Lumentum (LITE) with 2000 December \$80/\$70 bull risk reversals opening at \$3.70 debit

Twilio (TWLO) buyer 450 July \$320 calls \$23.50 as it works out of a small base

Utility

Exelon (EXC) stock replacement opens 3000 January \$48 calls \$2.10

AES (AES) buyer 5000 June \$26 calls \$0.60

Disclaimer:

Not Investment Advice or Recommendation

Any descriptions "to buy", "to sell", "long", "short" or any other trade related terminology should not be seen as a recommendation. The Author may or may not take positions in any of the names mentioned, and is not obligated to disclose positions, nor position sizes.

Content is for informational and educational purposes only. You alone will need to evaluate the merits and risks associated with the use of this content. Decisions based on information provided are your sole responsibility, and before making any decision on the basis of this information, you should consider (with or without the assistance of a financial and/or securities adviser) whether the information is appropriate in light of your particular investment needs, objectives and financial circumstances. Investors should seek financial advice regarding the suitability of investing in any securities or following any investment strategies.

No reference to any specific security constitutes a recommendation to buy, sell or hold that security or any other security. Nothing constitutes investment advice or offers any opinion with respect to the suitability of any security, and the views expressed on this website should not be taken as advice to buy, sell or hold any security. In preparing the information contained in this website, we have not taken into account the investment needs, objectives and financial circumstances of any particular investor. This information has no regard to the specific investment objectives, financial situation and particular needs of any specific recipient of this information and investments discussed may not be suitable for all investors.