



Sector Leaders

Retail

Energy

Transport

Stock Gainers

- SAVA 20%
- PTGX 17%
- MX 11%
- NMRD 9.2%
- TIGR 8.3%
- CAR 8%

Volatility Gainers

- APTX
- PROG
- EVFM
- RAMP
- MX
- RNG

High Call Volume

- OTLY
- IRM
- TX
- OR
- PGEN
- RNG

Bullish Options

- MDT
- ABBV
- RBLX
- PTON
- SQ
- RNG
- DBX
- ZM
- BKR
- NIO
- FEYE
- APA

**Market Review:** Stocks remained high near record highs with global stocks also mostly higher after the US inflation data put some fears to rest ahead of the FOMC next week. Commodities were strong with Natural Gas and Metals up sharply. Consumer Sentiment for June came in strong beating expectations. Stocks pulled in the first half of the day as breadth remained positive and overall just seeing a lack of conviction to push things higher ahead of the FOMC next week. Retail, Banks, Housing, Metals and Energy all rebounded. Biotech pulled back along with some Tech fades. The S&P is working out of a multi-week bull flag and likely some room to continue momentum into an OpEx week with the FOMC in focus while then should see some profit taking after the Holiday and into Q2 earnings season.

**S&P Chart:**



Resistance	Support
4,220	4,170
4,385	4,110
4,450	4,055

**Options Action Trends:** Bullish activity was hot early in Software growth names **ZM, RNG, PATH, PLAN, PTON, DBX** and others. There also was some OTM call buying in Oil names for July 2<sup>nd</sup> (W) in **OXY, APA**.

**What's On Tap:** Earnings from **ADBE, ORCL, LEN, JBL**; Retail Sales, PPI, and Industrial Production Tuesday; Housing Starts, EIA and FOMC Decision Wednesday; Jobless Claims and Philly Fed Thursday; **Conferences:** BAML Media, CSFB Communications, Evercore Retail, MSCO Financials; Oppenheimer Consumer, Berenberg Software, Deutsche Bank Auto, JMP Life Sciences; **Analyst Days** at **HUM, DXC, VOD**

**Trade Tracker Portfolio Changes:**

- 1) **Spotlight:** Long **GE** September \$13 Calls \$1.25

Sector Laggards

Biotech

Gold

Ags

Stock Losers

- CRIS -35%
- CVI -18%
- RAMP -12.8%
- UPST -11.5%
- OWL -11%
- VRTX -10%

Volatility Losers

- CLDR
- RGLS
- CRIS
- ICON
- TEVA
- ENDP

High Put Volume

- WEN
- CLOV
- ENB
- PGR
- NGL
- APRN

Bearish Options

- API
- ORCL
- IWN
- KSS
- JD
- RAMP
- CAT
- PLTR
- CMI
- LEN
- PII
- SPLK



## FEATURED OPTIONS RADAR REPORT



### KB Home Bulls Accumulate Positions into Earnings

Ticker/Price: KBH (\$43.40)

#### Analysis:

**KB Homes (KBH)** on 6/10 saw a flurry of late day call buying with 2000 October \$45 calls for \$700K and 2800 July \$42 calls for \$875K. KBH has been a favorite of put sales with 2000 January \$43 sold to open, 7000 April 2022 \$40 puts sold to open, 2000 January 2023 \$37 puts sold to open, and 1000 January \$40 puts sold to open. KBH still has 5500 January 2022 \$45 calls in open interest from a buyer back in March. KBH shares have pulled back with housing names recently to retest its February breakout and next week there is plenty of housing data and **LEN** reports while KBH will report 6-23. KBH sits just above YTD VPOC and the 200-day moving average is close at \$40.55. KB Home is one of the largest and most recognized homebuilding companies in the U.S. with a variety of new homes designed primarily for first-time and first move-up, as well as second move-up and active adult homebuyers, including attached and detached single-family residential homes, townhomes and condominiums. KBH is geographically diversified with Central markets at 36% the highest contributor. KBH has benefited from positive trends in the build-to-order strategy and is a top player in several top markets. In May KBH reported F2Q orders up 155% through May 21, highlighting the continued momentum in housing along with easier comps. KBH has a market cap of \$4B and trades just 6.7X Earnings, 5.5X EBITDA and 1.48X Book with a 1.35% dividend yield. KBH revenues are seen rising 44% in 2021 and another 14% in 2022. KBH spoke at the JP Morgan Homebuilding Conference in May highlighting the strong backdrop from low inventory in its markets and demand seen staying strong for the foreseeable future. KBH homes offer the highest energy efficiency based on the Home Energy Rating System. KBH also noted the incredibly strong first-time home buyer cohort it is seeing. Analysts have an average target of \$55 with short interest at 4% of the float. Goldman out positive in May raising estimates and has a \$59 target. Wells Fargo started at Overweight in April and a \$55 target seeing a long-tail of demand through the rest of the decade and KBH valuation is very reasonable.

#### Hawk Vision:



**Hawk's Perspective:** KBH does look to be a bargain and Housing has a long period of strength to go, this dip looks very buyable.

**Confidence Ranking:** \$\$



## FEATURED OPTIONS RADAR REPORT



### NCR Bulls Position for Breakout as Business Transforms, Reopening Play

Ticker/Price: NCR (\$47.40)

#### Analysis:

**NCR Corp (NCR)** an interesting name seeing an accumulation of bullish action with 3000 January \$60 calls bought on 6/8 and 1000 January 2023 \$70 calls. NCR has some short June calls in open interest set to expire next week but also has seen 3000 January \$45 puts sold to open, 5000 July \$47 calls bought to open, and 7600 December \$45 calls bought to open. NCR broke out of a weekly bull flag in April and peaked just under \$50 recently, consolidating above the rising 8-week moving average and below those 2017 highs. NCR has become a leading software- and services-led enterprise provider in the financial, retail, hospitality and telecommunications and technology industries. Its portfolio includes digital first offerings for banking, retailers and restaurants, as well as payments processing, multi-vendor connected device services, automated teller machines (ATMs), point of sale (POS) terminals and self-service technologies. The business has evolved from providing hardware and services, to providing software and services within solutions. NCR spoke at the MSCO Conference on 5-20 highlighting strong trends being seen in retail, hospitality and SMB as spending picks up. NCR is well positioned for the self-checkout and pay at table themes and seeing strong demand. NCR also announced a key deal earlier this year acquiring Cardtronics (CATM) for \$2.5B. NCR is an improving mix story as the SCO segment is now 40% of revenues and growing fast while traditional point-of-sale business is weaker. NCR's Emerald solution for SCO lanes in stores is in the infancy and promising. NCR is also winning deals in the digital banking software industry. NCR currently has a market cap of \$6.2B and trades 14X Earnings, 8X EBITDA and 9.45X FCF. Forecasts see revenues growing 8.5% in 2021 and 6.5% in 2022 with EBITDA rising 26.7% and 12.7% respectively. Analysts have an average target of \$51 with short interest at 6.8% of the float. MSCO raised its target to \$62 on 5/10 as an underappreciated recovery play headed for a robust Retail & Hospitality fresh cycle. Wells Fargo raised its target to \$55 noting some investor concern with the CATM acquisition but it sees strategic and financial merit to the deal.

#### Hawk Vision:



**Hawk's Perspective:** NCR does look underappreciated, cheap valuation with a good portion of its business now in higher growth/margin software/services and plenty of tailwinds from the recovery.

**Confidence Ranking:** \$\$





## FEATURED OPTIONS RADAR REPORT



### Twitter Calls Accumulate as New Products/Services Drive Stronger Monetization

**Ticker/Price:** TWTR (\$60.3)

#### Analysis:

**Twitter (TWTR)** seeing a surge in bullish positioning this week that appears to be targeting its next earnings report on 7-22. The August \$70 calls were bought 13,500X on 6/8, the August \$75 calls bought 11,000X on 6/9, and on 6/10 the August \$55 ITM calls bought 2500X for nearly \$2M. TWTR also has 6000 December \$70/\$85 call spreads in open interest from 5/28, a buyer of 10,000 September \$60 calls on 5/24, and over 9000 January \$70 calls with a large buy adding on 4/20. TWTR sold off hard after its latest earnings report and briefly dipped below the rising 200-day moving average but have now trended higher and working into that large earnings gap with the 55-day moving average currently acting as resistance. TWTR's weekly reversal came right at a 50% retrace of the rally since 2020 and retested a key flag breakout from February 2020. A higher low has now been established and next major resistance in the \$64/\$69 zone with a move above likely targeting new highs to \$85. TWTR is a global platform for public self-expression and conversation in real time. TWTR continues to invest in improving its platform and increasing monetization initiatives making the platform more attractive for both users and advertisers. TWTR has also been active in expanding features and has been acquiring smaller companies to allow for its platform to accept payments, long-form newsletters, Twitter Spaces for audio and more. TWTR hosted an Analyst Day in February and the company expects to grow mDAU to at least 315M by Q4 2023. Management reiterated its long-term operating margin target to be in the mid-teens, as well as an adj. EBITDA margin target of 40%-50%. The \$46.5B company trades 55.7X Earnings, 25X FY22 EBITDA, 7.6X FY22 EV/Sales and revenues seen rising 29% in 2021 and 23% in 2022. Analysts have an average target of \$64 and short interest low at 2.5% of the float. Goldman raised its target to \$112 after the February Analyst day seeing a favorable reward/risk in owning shares as users and advertisers increasingly find utility in the platform, new features and services are introduced, and live events return. Vertical Group raised shares to Very Positive this week citing new campaigns and product releases driving accelerated momentum in business trends. Mizuho out noting the new subscription service for Twitter Super Users could drive modest upside to revenues. TWTR's CFO noted that e-commerce is an important lever for the company back on 5/25. Elliott added to its position in Q1 filings while Whale Rock started a new position.

#### Hawk Vision:



**Hawk's Perspective:** TWTR was a recent profitable play for us and I continue to see upside for shares to \$80-\$85, so like owning on dips.

**Confidence Ranking:** \$\$

## Additional Options Flow

### Market/ETFs

**S&P (SPY)** seeing buyers in 2000 November \$400 puts \$11.46 for \$2.3M into new highs, nice spot to target if get some topping action

**Russell Value (IWN)** with 2790 November \$150 puts opening \$4 to \$4.05, aligns with all the call buying being seen on Software/growth today

**Financials (XLF)** with 5000 March 2022 \$40/\$35 bull risk reversals opening at \$0.43 credit

**Bonds (TBT)** spread into weakness buying 5000 December \$20/\$23 call spreads and selling the \$18 puts

**Biotech (XBI)** opening sale 2000 July \$134 puts \$4.35

**Silver (SLV)** with 7000 January 2023 \$28 puts being sold to open \$5.85

**Russell (IWM)** spread sold 7195 September \$243 calls \$4.12 and bought 14,390 of the \$207 puts \$3.49

**S&P (SPY)** seeing 3000 March 2022 \$435 calls with buyers near \$16.40 to open today for \$5M and also seeing 2000 December \$424/\$394 bull risk reversals open

**Brazil (EWZ)** with a buyer of 6000 September 440 calls today \$2.61

### Consumer Goods

**Callaway (ELY)** early buyers 2000 June \$33 calls \$1.10 to \$1.20

**Peloton (PTON)** rising with 1250 October \$150 OTM calls hot with buyers \$3.50 early. **PTON** also with 450 March 2022 \$135 calls bought \$13.60. **PTON** buyers active in September \$140 calls as well \$3.80 to \$4.40 offers looking to add to 2606 in OI. **PTON** also with 675 January 2023 \$160 deep ITM puts being sold to open raising premium of \$2.5M , also a buyer 200 June 2022 \$165 calls \$10.35 offer

**Tempur Pedic (TPX)** with 1000 July \$40/\$37.5 bull risk reversals opening for small debit

**Kraft (KHC)** unusual buy 2000 January 2023 OTM \$50 calls for \$1.50

**Oatly (OTLY)** IV surged earlier with 18,500 June \$30 calls hot

**Polaris (PII)** flow in September again with 1200 September \$130 puts active where 1100 opened yesterday and also seeing 800 September \$135 calls bought near \$7

### Consumer/Business Services

**Roblox (RBLX)** buyer 2500 June 25th (W) \$107 calls \$1.43 offer. **Roblox (RBLX)** with 1500 January \$85/\$55 bull put spreads opening for \$11.50 credit

**Avis (CAR)** buyer 1000 July \$110 OTM calls aggressive at \$0.90 offer with used car prices soaring. **CAR** 2400 August \$85 puts open \$5.50, stock tied

**GameStop (GME)** has a buyer in June \$287.50 calls this morning \$11.50 to \$13 range for 1600X

**New Oriental (EDU)** with 6000 October \$12/\$17 call spreads bought

**Kohl's (KSS)** buyer 4000 November \$45 puts for \$2.90

**Chewy (CHWY)** buyer of 2000 January \$110 calls \$3.40 to \$3.70 into earnings weakness down 5% despite a very strong quarter, will confirm OI Monday

**Cinemark (CNK)** offer sweep buy 1000 December \$30 calls at \$2. **CNK** highs after the Dec. call buyer earlier and also seeing 1600 January 2023 \$17.5 puts sell to open \$3.80

**Wynn (WYNN)** opening sale of 400 January 2023 \$110 puts for \$16.55

**RH (RH)** stock replacement buys 100 January \$740 calls at \$81

**Carnival (CCL)** with 6000 October \$27.50 puts sold \$2.26 to open as October \$25 short puts adjust

**Activision (ATVI)** seller 750 November \$90 puts to open \$3.55

**Capri (CPRI)** nice multi-week consolidation wedge forming and today 1400 August \$52.50 puts being sold to open \$3.40 to \$3.30

**Norwegian Cruise (NCLH)** with 2300 December \$30 puts sold to open \$3.55

### Energy

**Cenovus (CVE)** with 3000 January \$11 calls sold to open \$1.15

**Baker Hughes (BKR)** with 2950 July \$27 calls bought \$0.65 to \$0.70 offers

**Apache (APA)** with 10,000 July 2nd (W) \$25 calls \$0.60

**Occidental Petro (OXY)** buyers of 7000 July 2nd (W) \$31 calls \$0.51 to \$0.54. **OXY** also buyers 2000 July \$31 calls

**Daqo Energy (DQ)** back to support with 800 October \$75 calls being bought \$9.70 to \$10

**Valaris (VAL)** tight flag with interesting 450 November \$25 calls bought \$6.80 offer up to \$7.30, a \$1.98B offshore drilling play levered to the strength in Oil

**Denbury (DEN)** with 2500 July \$75 calls opening \$3.50 as June \$70 calls from 6/3 adjust

**Pioneer Natural (PXD)** with 3000 June 25th (W) \$165/\$160 bear risk reversals opening for a credit of \$0.35

### Financials

**Square (SQ)** with 1000 July 2nd (W) \$215 ITM calls opening \$11.80 to \$12.05 this morning

**Progressive (PGR)** buyers of 4000 June \$92.50 puts \$0.65 to \$0.80

**Clti (C)** buyer 10,000 January \$90 calls \$1.96, spread versus the \$100 calls which may be adjusting back

**Coinbase (COIN)** IV sinking all day and seeing 1000 September \$240/\$210 strangles sell to open for around \$39.50

**Paysafe (PSFE)** buyer 1200 January \$13 calls \$2.10

**Alliance Data (ADS)** into weakness with buyers coming in for 2000 July \$120/\$130 call spreads

### Healthcare

**Medtronic (MDT)** with 1600 January \$125 calls bought early for \$7.80

**Endo (ENDP)** seeing 2800 October \$7 calls bought this morning \$1.15 to \$1.20

**Vertex (VRTX)** seeing 500 October \$220/\$180 bull risk reversals open into this weakness. **VRTX** notable trade sold 500 January 2023 \$195 puts for \$28.20 into 10% down move, aligns with sell-side seeing valuation cheap into this reaction

**Tenet (THC)** with 1000 November \$80 calls sold to open for \$4

**Danaher (DHR)** opening sale 700 December \$195 puts \$4

**Moderna (MRNA)** with 500 January 2023 \$190 puts sold to open \$39.50

**Atossa (ATOS)** with 7110 July \$3 calls adjusting to October \$3 calls

**Align (ALGN)** afternoon buyer 1000 July \$550 puts \$5.50 to \$6 into recent rally

**Biogen (BIIB)** with a few upgrades this morning but trading back to \$400 down 3.7% and seeing a trade this afternoon open the October \$450/\$500 call ratio spreads 1225X2450 at a \$0.50 debit

### Industrials

**Nio (NIO)** buyers of 2000 July 9th (W) \$45 calls near \$2. **NIO** offer buyers 1900 August \$49 calls \$3.10 as well

**Cummins (CMI)** unusual buy 600 January 2023 \$150 far OTM puts \$6.80 to \$6.90

**Lennar (LEN)** buyer 795 November \$85 puts \$5.30 offer into earnings next week

**Southwest Air (LUV)** with 1000 January 2023 \$55 puts sold to open for \$7

### Materials

**Ternium (TX)** with 1000 August \$50 calls bought early as IV30 is up 50%, unusual action

**Peabody (BTU)** unusual buys 2700 July \$10 calls \$1.05/\$1.10

**Cameco (CCJ)** with 7000 July \$23 calls bought near \$0.74

**Osisko Gold (OR)** with 3400 October \$15/\$12.5 bull risk reversals opening \$0.71

### Tech and Telecom

**Oracle (ORCL)** with 2000 June \$783 puts opening \$2.26 into earnings next week with weekly adjustments

**Ring Central (RNG)** IV rising with 1050 July \$300 calls being bought \$3.90 up to \$5.40 early, strong action.

**Agora (API)** with 1500 July \$40 puts bought in sweeps early \$2.40 to \$2.50

**UI-Path (PATH)** with 1000 July \$75 calls bought \$4.80 into recent post-earnings weakness

**Zoom (ZM)** with the big breakout today seeing 1500 July \$360 calls bought \$14.70, room back to the 200-day at \$387

**DropBox (DBX)** bulls staying active with 10,000 October \$35 calls bought \$1.20, also 1800 of the \$34 calls bought \$1.45

**Support.com (SPRT)** a small \$90M provider of technical support seeing 3000 December \$7/\$4 bear risk reversals open, potential collar though

**JD.com (JD)** spread sold 2000 August \$67.5 puts \$2.35 and bought 2100 September \$67.5 puts \$3.10

**Fire-Eye (FEYE)** with 9800 July \$21 calls being bought \$1.10 as June \$20 adjust

**Ramplive (RAMP)** IV surging as 2500 August \$50 puts are bought \$8.10 to \$8.50

**Roku (ROKU)** seeing an interesting trade this morning with July 2nd (W) \$365/\$375/\$377.5 unbalanced call fly 550X1100

**Palantir (PLTR)** buyers of 9500 August \$24 puts \$2.13 to \$2.19 into morning highs where 10,788 are in OI

**Okta (OKTA)** unusual structure of a spread bought 1200 January \$270 calls \$12.45 and sold 2000 of the January 2023 \$270 calls for \$31.71

**Palo Alto (PANW)** stock replacement sells 3000 January 2023 \$360/\$290 put spreads to open for \$27.25 credit

**Snowflake (SNOW)** opening seller 600 September \$215 puts for \$13.40

**Western Digital (WDC)** with 3500 August \$95 OTM calls bought to open \$1.05 to \$1.10

**Sea (SE)** sale to open 300 June 2022 \$250 puts \$35/\$35.05

**Splunk (SPLK)** a struggling software name with 2800 July \$110 puts bought \$1.36

**Appian (AAPN)** spread sold 250 July \$130 calls and bought 250 November \$125 calls for \$12.50 debit

### Utility

#### **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.*

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