

OptionsHawk

OPTIONS HAWK DAILY MARKET 6/23/2020

Sector Leaders

Biotech

Software

Internet

Stock Gainers

TBIO 55%

PLUG 20%

INO 16%

PENN 13.3%

PFGC 13.3%

ARCT 13.3%

NLTX 11%

Volatility Gainers

- EQH
- WKHS
- FSLY
- RIG
- HOG
- CRON

High Call Volume

- WKHS
- WW
- SONO
- AJRD
- NUAN
- LTRPA

Bullish Options

- ORCL
- EQH
- AAL
- CRM
- HOG
- SFIX
- VRSK
- WW
- BABA
- AMP
- V

Market Review: Stocks dipped overnight and then quickly snapped back with some confusing statements out of WH advisor Peter Navarro regarding the China Trade Deal, but worked higher into the open continuing to climb the wall of worry. Flash PMIs for June offset some of the negative news with improvement seen across Europe. Markets were choppy early but moved higher late morning with Kudlow's interview that focused on stimulus, China, and no 2nd lockdowns. Software and Biotech continued to show leadership as investors position in growth names while Banks & Industrials continued to lag the rally. Breadth turned strongly bullish into the early afternoon as stocks saw some further buying momentum as the S&P moved towards a gap fill and held the key 21 MA and trend support though watching NYSE which has started to roll over. The schedule is real light into tomorrow barring any breaking news.

S&P Chart:



Resistance	Support
3,140	3,080
3,260	3,020
3,325	2,940

Options Action Trends: Action was spread out with no real new trends, not a lot of put buying yet, while bullish positions continue to target growth/momentum.

What's On Tap: EIA Data and Fed Speakers.

Trade Tracker Portfolio Changes:

- 1) **Spotlight:** Long STX September \$52.50 Calls at \$3

Sector Laggards

Aerospace

Utility

Banks

Stock Losers

KIRK -20%

HTZ -18%

SPR -12.2%

MESO -9%

ONEM -7.5%

CMCM -7%

OSTK -6.2%

Volatility Losers

- NKLA
- ACB
- HTZ
- KPTI
- APT
- AAL

High Put Volume

- IVZ
- WW
- ZYNE
- NK
- BTU
- NKLA

Bearish Options

- MU
- F
- ALRM
- AA
- AVGO
- BFYT
- CAR
- THC
- SPGI
- BIIB
- OMC



Large Call Buyer Sees Long Term Upside in Alteryx

Ticker/Price: AYX (\$166.5)

Analysis:

Alteryx (AYX) with a large trade on 6/22 as 1000 January 2022 \$220 calls opening for \$26.30 and a name that has not traded as active but the January \$130 calls and \$155 calls have 3000X and 2050X in open interest still holding while November \$175 OTM calls have seen nearly 1000 accumulate recently. AYX was hovering in a narrow range with a bullish technical setup last week and triggered a breakout above the 2020 value area and now firmly above all key moving averages as shares move to record highs though running into potential resistance of the trend extension off 2019 and 2020 highs. The first upside Fibonacci extension target, 138.2%, is at \$192. Alteryx is improving business through data science and analytics by enabling analytic producers, regardless of technical acumen, to quickly and easily transform data into actionable insights and deliver improved data-driven business outcomes. Its platform democratizes access to data-driven insights by expanding the capabilities and analytical sophistication available to all data producers, ranging from business analysts to expert programmers and trained data scientists. The platform consists of Alteryx Designer, Alteryx Server, Alteryx Connect, and Alteryx Promote. The \$10.6B software company has been seeing strong sales momentum with a sharp rise in large deals and continues to broaden its addressable market with new relationships while also expanding its user base and use cases. AYX is also seeing encouraging momentum from the post-COVID world and has increased hiring while launching new products. AYX launched a new software category with Analytic Process Automation (APA), a set of technologies that allows anyone to analyze data, automate processes, and upskill the proficiency of every worker. Dean Stoecker, Chairman and CEO, outlined a scenario where starting in June Alteryx plans to begin unveiling new product and platform functionality over the ensuing 18 months that could rival the capabilities that it pioneered since the inception of the company. AYX has a \$50B market opportunity with Analytics/Intelligence, Spreadsheet, and Data Science. It has impressive 128% dollar-based net expansion and less than 2% seat penetration. Analysts have an average target of \$143 and short interest at 17% of the float is high and near a two year high, rising 15% Q/Q. Piper upgraded to Overweight with a \$160 target on 5/19. AYX delayed its Analyst Day scheduled for March 10th due to COVID-19 and a new date could be a positive catalyst. Hedge Fund ownership rose modestly in Q1 filings, the CEO a top owner.

Hawk Vision:



Hawk's Perspective: AYX is extended now after the technical setup worked but this a large longer term trade to have in mind when it pulls back towards \$150.

Confidence Ranking: \$\$



Bull Spread Targets Highs for Itra-Cellular

Ticker/Price: ITCI (\$26)

Analysis:

Intra-Cellular (ITCI) big spread today bought the August \$30/\$45 call spread 6,275X12,550 for \$1.45 and sold the \$15 puts for 6,275X to open for \$1.55. Today's flows follows an interesting spread on 6/17 that bought 1,500 September \$25 calls for \$5.63 and sold the July \$30/\$18 strangle for \$3.18. ITCI has also seen buyers in the August \$19 calls and Aug. \$30 calls earlier in the year.

Shares have lagged the broader biotech group this year but a lot of open space above \$25.50 and traded up as high as \$43 in December. The 200-MA is support down around \$17. The \$1.61B biotech trades 3.5X cash with no debt and short interest is around 7.5%, down from 23% in December and relatively subdued overall. ITCI has key Phase 3 upcoming from their ongoing "Study 402" for patients with depressive episodes associated with bipolar disorder is expected to have data mid-year. The trial looks at their drug lumateperone as an adjunctive therapy to lithium or valproate. Analysts have an average target for shares of \$37.

Cantor positive on 6-4 noting that the company is executing well and, with time, Caplyta will become "widely recognized for its differentiated clinical profile for a broad range of schizophrenia patients." They also note that a clearly positive outcome for Study 402 and 404 will allow ITCI to file a supplemental NDA. Evercore positive on 6-18 noting they see 100% upside on positive data and 30% downside. The firm thinks that the trial design may be setup for a positive outcome with ITCI only needing to provide supportive evidence to the prior Phase 3 to get the expanded indication. Hedge fund ownership rose 16% in Q1. Samlyn Capital a buyer of more than 1.1M shares recently.

Hawk Vision:



Hawk's Perspective: ITCI is another smaller Biotech with strong momentum and positive flows, though extended near-term and could wait for a retest of the March high that should now be support.

Confidence Ranking: \$\$



Bull Spread Targets Highs for Itra-Cellular

Ticker/Price: EVRG (\$59.30)

Analysis:

Evergy (EVRG) with 5,000 September \$65 calls bought today for \$2.15 to \$2.40, aggressive opening buy in a name that is being pushed to sell itself. EVRG has not seen a lot of notable flows lately with today's action running almost 250X average. EVRG shares are consolidating in a narrow range since April under the 200-day at \$63.50 and above \$55. Shares broke a long multi-year uptrend in March but traded as high as \$75 earlier this year and snapped back. The \$13.86B electric utility trades 18.5X earnings and 1.6X book with a 3.4% yield. EVRG is an ongoing activist situation with Elliott pushing for the company to sell itself as it undergoes a strategic review. The company reached a deal with the activist in March and reportedly has received interest from Next-Era (NEE). Elliott has been looking at ways to improve their overall operations and they have a formal deadline of July 30 for all proposals to be reviewed by the board. EVRG is one of the largest electric utilities in Missouri and they've been looking to boost results over the last five years by raising CAPEX and investing in overall grid improvements. Analysts have an average target for shares of \$69 and JP Morgan a Street High \$76. BAML upgrading to Buy from Sell in March noting that Elliott is helping the company move in the right direction while the firm sees the suspension of its buyback as a positive as it redirects capital toward rate base growth. Short interest is 2.1%. Hedge fund ownership rose marginally in Q1.

Hawk Vision:



Hawk's Perspective: EVRG has a clear potential event-driven catalysts and sets up nice versus recent lows and trend support, an intriguing play to consider.

Confidence Ranking: \$\$

Additional Options Flow

Market/ETFs

S&P (SPY) July 24th (W) \$275/\$260 ratio put spreads opening 11,000X22,000 for a net credit. **S&P (SPY)** trading 7000 September/October \$327 call calendar spreads to open for \$2.10, popular structure lately, seeing buyer 800 March \$180 puts to open \$2.97 today as well

Biotech (XBI) rolling over a bit after recent strength and 2000 July \$112 puts bought \$3.55 offer in sweeps. **XBI** spread today also sold 1500 September \$125 calls to buy the \$105 puts in a risk reversal, potential collar into strength

Oil & Gas (XOP) with 3000 October \$65/\$54 collars opening w/ stock

S&P (SPY) buyer 1000 March 2021 \$266 puts \$14.90 to open.

Sports Betting ETF (BETZ) with 1,600 January \$20 calls bought for \$2.90 to open, newly issued name looking to gain exposure to both sports betting and iGaming growth

Semiconductors (SMH) the August \$160/\$170 call spread bought 3500X7000 for \$0.45

Gold (GLD) broke out this week and today 4000 August \$166 calls bought \$5.20 offer

NASDAQ (QQQ) opening sale 1000 December \$245 puts for \$17.59, opening sale 3000 August \$242 puts for \$8.10, size lot buys in August \$260 calls with 6300 trading, and sales in 12,500 Aug \$270 calls. **QQQ** block 25,000 March 2021 \$225 puts sold to open \$14.49 in stock replacement

Invesco S&P 500 Equal-Weighted ETF (RSP) today 1,000 July \$102 puts bought for \$2.55 and spread with a sale of 1,500 July \$95 puts for \$1.00

Consumer Discretionary (XLY) the July \$128/\$118 put spread bought 5000X for \$2.06 with top holdings like AMZN, HD, MCD and NKE

Consumer Discretionary/Services

Stitch Fix (SFIX) with 850 December \$25 calls bought today between \$4.30 and \$4.40 to open as shares continue to consolidate

Ulta Salons (ULTA) opening sellers of 670 January \$120 puts for \$5.20

Tapestry (TPR) seeing 970 November \$10 ITM calls open today near \$5.05

Comcast (CMCSA) lagging name with 7000 July 10th (W) \$40 calls opening here \$0.58 to \$0.63

Etsy (ETSY) with 1,500 September \$105 calls bought today for \$10.40, strong move lately after the early June call buys. **ETSY** also 1500 September \$110 calls bought up to \$9.05. **ETSY** with 1500 January \$65 puts sold to open \$4.20

Sportsman Warehouse (SPWH) buyer of 5,000 October \$15 calls for \$2.05, adjusting higher the \$12.50 calls again.

TripAdvisor (TRIP) with 1300 December \$15 puts sold to open today near \$2. **TRIP** continues higher after earlier chatter and 7000 September \$30 calls popular with buyers \$0.50 to \$0.60

Dish Network (DISH) with 1,500 January 2022 \$60 calls bought for \$4.20 to \$4.30

Skechers (SKX) now with 1,650 July \$32 calls bought between \$1.85 and \$2 and follows the OTM July \$37 calls earlier, comes ahead of **NKE** earnings

Levi's (LEVI) with the July \$13 puts bought another 6,000X today for \$0.85

Carnival Cruise (CCL) rebounding from the mid-morning lows with 5,000 August \$17.50 puts sold to open for \$3.10

Dicks Sporting Goods (DKS) with 2,000 January 2022 \$50 calls sold for \$6.00 in a buy-write

Red Rock (RRR) with another 3,000 July \$15 calls bought today \$0.35 to \$0.40, small bull wedge forming back to the 50-day

Marriott (MAR) with 800 August \$100/\$70 bull risk reversals opening for \$2.10

Omnicom (OMC) with 1000 July \$55 puts opening for \$3.13 as the \$60 puts roll down

Target (TGT) buyer 6000 July 31st (W) \$117/\$110 put spreads as July \$115 adjust

Floor & Decor (FND) seller of 2,500 August \$65 calls for \$2.80 as the July \$60 calls from February adjust, originally opened as a buy-write

Consumer Goods

WW (WW) with over 9,000 OTM July \$35 calls bought up to \$0.35. **WW** also with over 2,500 October \$25 puts sold to open for \$4.10

Dollar General (DG) stock replacement buys 2,500 July \$195 calls for \$2.75

Sony (SNE) opening seller 700 June 2021 \$70 straddles for \$17

ConAgra (CAG) with 3,000 July \$36/\$30 bull risk reversals opening for \$0.55

Energy

Marathon (MPC) buyer of 1,500 August \$45/\$32.50 bull risk reversals for \$0.40 with recent media reports of a Speedway sale

Royal Dutch (RDS.B) buyer 700 ITM January 2022 \$22.50 calls \$12 to \$12.20

BP PLC (BP) with 2000 December \$20 puts sold to open earlier today near \$1.29

Nabors (NBR) with 800 December \$22.50 puts sold to open for \$5.75

Matador (MTDR) coiled under the 200 MA with afternoon buyer 1000 September \$12.50 calls \$1.25 offer and seen some other bullish flow lately

Financials

Equitable Holding (EQG) July \$22.50 calls up to 7000X early now with IV30 a top gainer, +14%, so action does look to be opening buys after starting \$0.30/\$0.35 and now trading up to \$0.70. The \$9B Insurance Co saw a lot of insider buys in March

NCR Corp (NCR) with 650 January \$15 ITM calls bought early for \$4.60 to \$4.80

Verisk Analytics (VRSK) with over 685 August \$165 calls being bought today around \$9.80 to \$10, most being spread vs the \$175 calls

Ameriprise (AMP) with 500 July \$145 calls ITM opening \$9.90

Visa (V) buyer 1000 December \$195 calls \$18.75 to \$18.95

Synchrony (SYF) with 1285 August \$24 puts sold to open for \$2.50

Hartford (HIG) with 800 August \$40 puts being sold to open today for \$3.25, pulling back to the 50-MA and prior breakout range

S&P Global (SPGI) rare bearish trade with 1800 February \$185 puts bought \$4.76, though December \$240 and \$220 puts adjusting that were tied to stock

NY Community Bancorp (NYCB) with near 2,000 August \$11 calls bought up to \$0.60

Wells Fargo (WFC) with 4,000 July \$27 puts sold to open for \$1.38

Green Dot (GDOT) with 1,000 OTM August \$55 calls bought for \$1.20, nice breakout this week

PNC Financial (PNC) buyer 2000 January \$130 calls \$4.50 offer

Healthcare

Axonics (AXNX) with 2,750 July \$40 calls opening for \$1.57, adjusting back some of the \$45 calls

Esperion (ESPR) with 450 August \$55 calls bought for \$3.30 and biotech which has seen a lot of bullish flows lately as it looks to clear a multi-week range

Aurinia (AUPH) long base forming and 1500 January \$20/\$35 call spreads are bought \$2.85

Tenet Health (THC) with 1000 November \$12 puts opening up to \$1.50 today, potential concerns with hospital capacity

Novocure (NVCR) with near 900 September \$55 puts sold to open for \$3.40 this morning with shares basing in a multi-week range

CRISPR (CRSP) with 2000 August \$65 puts sold to open down to \$2.65

Centene (CNC) opening seller 1000 January \$62.50 puts for \$7.60

Biogen (BIIB) buyer 100 January \$385 puts \$116.50 as the \$400 puts adjust. **BIIB** also 750 July 31st (W) \$265/\$255 put spreads bought today

Moderna (MRNA) with 500 August \$55 puts sold to open for \$5.30

Inovio (INO) remains a hot vaccine play and 1000 February \$20 calls bought \$5.50 to \$7

Sanofi (SNY) unusual bullish spreads in January 2022 with the \$50 calls bought 1000X near \$7.55 and the \$55 ITM puts sold to open 1000X near \$7.55

ChemoCentryx (CCXI) spreads selling 940 November \$44 puts near \$9 and buying 470 of the \$65 calls \$17.30

Nevro (NVRO) with 560 November \$140 calls opening as August \$140 short calls adjust

HCA (HCA) with July \$120 short calls adjusting to Aug \$115 2387X

STAAR Surgical (STAA) with near 600 January \$70 calls bought today between \$5.00 and \$7.10 with the strong three day move

Cigna (CI) with 3,000 August \$195 calls sold to open for \$11.90 versus stock

Elanco (ELAN) buyer of 10,000 August \$25 calls for \$0.84 and spread with a sale of the July \$25 calls in a calendar spread

Industrials

American Air (AAL) working off early lows seeing 2000 January \$17 calls with buyer sup to \$3 while the ITM \$17 puts being sold. **AAL** with 1500 February \$5 puts sold to open for \$0.89 to \$0.83

Harley (HOG) July 2nd (W) \$26.50 calls up to 15,000X bought \$0.55 to \$0.95 as IV surges, frequent PE target rumor name, and likely a Fast Money pump today

Garrett Motion (GTX) with 1,000 October \$5 calls bought \$2.15 to \$2.20 today to open, spot where 500 were bought last week

Workhorse Group (WKHS) a hot name up another 20% today as a small maker of battery powered vehicles seeing a lot of January 2021 calls today with 3550 of the \$7.50 calls and 2900 of the \$10 calls trading, though seller flow under theoretical and IV moving down, likely writing versus stock positions

Avis Budget (CAR) with 880 November \$29 puts bought \$9.40

Aptiva (APTV) opening seller 580 August \$80 straddles for \$14.10

United Air (UAL) with 2000 December \$30 puts sold to open \$5.90

Axon (AAXN) buyers of 800 September \$110 calls up to \$7.20 to open today, nice consolidation above the prior multi-month breakout

ZTO Express (ZTO) with 500 October \$37.71 calls bought for \$4.20 mid-day with the morning talk of a HK listing

General Motors (GM) opening seller 1500 December \$23 puts for \$2.23

Flir (FLIR) buyer 750 August \$45 calls earlier for \$1.75 to \$1.85, seen a lot of bull flow

Materials

DuPont (DD) with 3000 July 24th (W) \$57.50 calls opening in early action after bullish flow yesterday, though indications these being sold to open today

Barrick (GOLD) with 1,000 ITM July \$28 puts sold to open between \$2.62 and \$2.65

Weyerhaeuser (WY) opening sale 5317 July \$25 calls \$0.45

Alcoa (AA) spreads are selling the October \$15 calls to buy the \$10/\$5 put spread 2000X

Vale (VALE) with 2175 January \$9 puts sold to open \$0.68

Commercial Metals (CMC) with 1,500 August \$20 calls bought for \$2.10 to \$2.15 to open today, strong relative to peers with shares back above its 200-day. CMC PT hiked to \$24 at Deutsche Bank yesterday citing their exposure to the construction markets which have been resilient

Clearwater Paper (CLW) with 500 August \$30 puts sold to open down to \$2.50, name with a lot of October call open interest

Tech and Telecom

Oracle (ORCL) early buyers of 7,000 August \$60 calls from \$0.65 to \$0.85. **ORCL** activity very hot today with early August \$60 calls up over 20,000X, the July \$60 calls over 20,000X, September \$62.50 calls being bought 6000X, and July 31st (W) \$58.5 calls 5500X

Amazon (AMZN) with 1500 August \$2500 calls opening, \$48M position, as those \$2300 calls adjust up. **AMZN** also 500 July 10th (W) \$2700 puts sold to open today at \$54

Facebook (FB) buyers active in September \$285 OTM calls this afternoon with 8000 trading \$4+

Apple (AAPL) trading 17,500 September \$400 calls today to open, the \$370 calls from 5/27 adjusting

Microsoft (MSFT) opening buy 1000 January \$220 puts \$29.77 as 1500 of the \$170 puts adjust, also seeing 6000 July 31st (W) \$217.50 calls sold to open near \$3, that look to be spreading with buys of 6000 August \$220 calls today

Salesforce (CRM) seeing 2000 January \$195 calls active early up to \$20.10, will need to confirm OI tomorrow

Chewy (CHWY) with 2000 July 2nd (W) \$51.50 calls with early buyers near \$2.40

Alibaba (BABA) with buyers 900 August \$230 calls at \$10 early. **BABA** 1200 September \$220 synthetic long positions open for \$5.90

Micron (MU) lower early with the downgrade and seeing 4000 July \$49.50 puts bought to open and the \$54 calls sold to open

Alarm (ALRM) seeing 900 August \$60 ITM calls sold to open for \$7

Broadcom (AVGO) bearish flow this morning with 940 ITM July \$330 puts opening near \$21. **AVGO** also buyers 350 October \$310 puts today

Benefytt (BFYT) with 4,000 July \$15 puts bought \$0.30 to \$0.40 today into strength

Pinduoduo (PDD) with 500 January \$75 puts sold to open for \$10.40. **PDD** 1500 July 10th (W) \$78 puts sold to open \$2.15

Trade Desk (TTD) with 300 August \$400 puts being sold to open \$39.10 to \$37.40

TI (TXN) with 2,350 July \$128 calls bought to open \$4.10 to \$4.25

eBay (EBAY) with more than 4,500 January \$55 calls bought \$3.00 to \$3.05 today

Pinterest (PINS) buyer of 5,000 November \$25 calls for \$3.75 to \$3.85, stock replacement

PDD also with 1500 July 10th (W) \$78 puts sold to open for \$2.15

Uber (UBER) with 4,000 December \$28 puts opening for \$2.97, tied to stock

ProofPoint (PFPT) spread sells 500 July \$105 puts to buy the \$110/\$120 call spread 500X1,000

DataDog (DDOG) with 3150 August \$70 puts sold to open \$2.30 to \$2.20. **DDOG** also this morning 200 January 2022 \$125 calls bought for \$18.50

AT&T (T) with 2,500 June 2021 \$30 puts sold for \$3.85 in a stock replacement. **T** also seeing 20,000 August \$30 puts bought \$1.60 today

Verizon (VZ) buyer 5000 August \$52.50 puts \$1.16 tied to stock

Bill.com (BILL) spread sells 1200 July \$80 puts \$3.60 and buys 600 of the \$90 calls at \$5

Bilibili (BILI) opening seller 1000 Aug \$40 puts \$2.30

DocuSign (DOCU) with 1,840 January 2022 \$180 calls sold for \$35 in a buy-write

Avalara (AVLR) with 500 November \$140 calls opening \$15.65 as the 700 Aug \$135 adjust

Z-Scaler (ZS) opening seller 350 January 2022 \$80 puts \$15.30,

IAC Interactive (IAC) with 3,000 January \$280 synthetic long spreads opening as some of the July \$250 spreads adjust

PluralSight (PS) sellers of 1290 August \$22.50 calls for \$0.75 to \$0.70

Baidu (BIDU) buyer 1000 January 2022 \$90 puts to open \$9.45

YY (YY) the January 2022 \$40 puts opening 4,000X for \$1.60 as some August puts bought back in March adjust out

Fastly (FSLY) the hottest name around in Tech and seeing tons of flow lately making it tough to track but today a size buyer 1000 September \$80 calls to open \$16 to \$16.10

CrowdStrike (CRWD) into day lows with size buy 1000 March \$105 calls for \$20.35 to open in a stock replacement

Trip.com (TCOM) with 1400 December \$23 puts sold \$1.70 to open today

T-Mobile (TMUS) buyer 1000 February \$120 calls \$7.75 as November \$115 adjust

Accenture (ACN) into earnings this week with 1500 July \$215 calls selling to open \$3.65, BAML and Piper both cautious into results this week

Cloudflare (NET) buyers of 1000 February \$24 puts for \$2.40 into strength

GDS Holdings (GDS) with 2,000 January \$30 puts sold to open for \$1.50

Micron (MU) with 2000 June 2021 \$60 calls sold to open \$5.90 to \$5.80 this afternoon

Utility

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