

OptionsHawk

OPTIONS HAWK DAILY MARKET 6/25/2019

Sector Leaders

Biotech

Pharma

REITS

Stock Gainers

AGN 26.5%

PYX 25%

RFL 13.5%

XNSR 13%

ARQL 8.5%

USNA 85%

DNLI 7%

Volatility Gainers

- PYX
- NGD
- BHF
- ABBV
- GRUB
- CLDR

High Call Volume

- RPM
- CCK
- RMD
- WES
- AGN
- PAYS

Bullish Options

- BHC
- NEM
- RMD
- TSN
- SNE
- SEDG
- GOLD
- BMJ
- BSX
- ACM
- CVS

Sector Laggards

Solar

Gold Miners

Software

Stock Losers

ALDX -19%

ABBV -14.75%

BHF -14%

EPZM -7%

JOBS -6.6%

HUYA -6.5%

CRWD -5.5%

Volatility Losers

- CZR
- AGN
- OSTK
- LEN
- GME
- MYL

High Put Volume

- EXTR
- LNC
- AME
- CFX
- DAKT
- AGN

Bearish Options

- ABBV
- HRL
- BYD
- UPS
- CFX
- WPX
- IP
- UNIT
- DOV
- RL
- MCK

Market Review: Stocks were modestly lower into the open as anxiety continues to build around US/China trade talks. Lennar posted strong numbers pre-market for the homebuilders and a mega-Pharma deal with AbbVie spending \$63B to acquire Allergan. Data continued to come in weak with New Home Sales falling and Consumer Confidence contracting. Stocks dipped in early trading but recovered a bit into midday with strength in Biotech/Pharma as well as REITS. There was weakness in Software, Gaming, and continued selling in Transports. Breadth improved through the morning moving positive right around Noon but comments from the Fed's Bullard brought in some sellers to day lows and the VIX hit its highest level in two weeks. Stocks are wavering on multi-day trend support and Durable Goods Orders in focus tomorrow, though likely to continue to theme of weak data due to global trade tensions.

S&P Chart:



Resistance	Support
2,950	2,900
2,975	2,870
3,000	2,830

Options Action Trends: Gold Miners continued to see bullish positioning adjust with the ETF, GDX, and names like GOLD and NEM. Action slowed in Tech finally while Healthcare and Financials were the focus for many of the call purchases today. We also saw a number of unusual opening put sales in smaller Regional banks.

What's On Tap: Mortgage Applications, Durable Goods Orders and Wholesale Inventories.

Trade Tracker Portfolio Changes:

1. **Spotlight:** Long the COP August \$60 Calls \$2.25 – No Fill
2. **Spotlight:** Long XPO August \$47.5 Puts at \$2



Call Buyers in NICE as Shares Consolidate

Ticker/Price: NICE (\$138.50)

Analysis:

NICE (NICE) trading 15X average calls yesterday with over 870 August \$140 calls bought on the day from \$5.10 to \$5.90, unusual activity in the strong name. NICE is also seeing 150 November \$150 calls bought for \$4.10 and has some November deep ITM \$130 calls still in OI from risk reversals. NICE has also seen 2,000 OTM August \$120 puts bought recently 2,500X against sales of the \$145 calls 1200X and likely collaring stock. Shares have traded well in 2019 up from around \$107.50 and basing in a narrow range recently above its 50-day MA and into cloud support. Shares traded up to \$145 post-earnings and above that range has a measured target out to \$155. The \$8.7B company trades 24.5X earnings and 5.8X sales with high-single digit EPS growth. NICE sees 8.3% and 6% revenue growth. The company is coming off a strong quarter with double-digit growth in cloud and significant expansion in operating margins. NICE has built a strong base with over 25k customers and 85% of Fortune 100 companies. They are a leader in CCaaS with a fast and growing TAM as they expand into cloud, digital, analytics, and Automation/AI. Analysts have an average target for shares of \$146 with 5 buy ratings and 5 hold. DA Davidson raising their PT to \$140 in May citing the company's launch of digital interactions capabilities for the CXone platform following its acquisition of BrandEmbassy and also cites its large deal success in the quarter, with "multiple 7-digit and 8-digit deals" coming from its CXone, Analytics, and Actimize Essentials products. JMP has a \$164 for shares. They are positive the company's acquisition strategy which is driving improved customer experiences and extending its reach. Jefferies with a \$166 PT. They think the company's 12% revenue acceleration was beyond expectations and sees it "well positioned" in the Contact Center as a service market. Short interest is 1.99%. Hedge Fund ownership rose 6.4%. RGM Capital a top holder with a 5.9% weighted stake.

Hawk Vision:



Trading Strategy: NICE has been a favored play and continues to set up very nicely on the chart, a fairly thin options market but nice reward/risk versus the 50 day MA.

Confidence Ranking: \$\$



Bullish Positions Accumulate in Solar Edge

Ticker/Price: SEDG (\$59.85)

Analysis:

Solar Edge (SEDG) with 425 December \$60 calls opening near \$8.20 and action climbing in the opening 30 minutes to above 750X. SEDG still has size in September \$50 calls with 5,500X bought and 2,900 of the \$55 calls. SEDG has been a top performer in 2019 after it broke out of a large base in May after an impressive earnings report. The \$2.89B maker of inverter systems trades 16X Earnings, 2.9X Sales and has a strong balance sheet with a lot of cash. SEDG will next report in early August and has an Opco and Canaccord Conference scheduled the first week of August. After posting 54% revenue growth in 2018 it expects 31.7% growth this year. It is coming off a strong quarter with substantial growth in Europe. It expects US strength to pick up in 2H. Analysts have an average target of \$61.50 and short interest at 12% of the float has been coming down sharply. Goldman raised to Neutral from Sell on 6/17 and Roth Capital raised its target to \$70 on 5/7 citing the early innings of the move in shares with volumes and margins set to improve given strong global demand. JMP upgraded to Outperform with the company taking share in Europe. Hedge Fund ownership rose 6.9% in Q1 filings, though no real notable holders.

Hawk Vision:



Trading Strategy: SEDG continues to trend higher after earnings and was a top pick into 2019, continue to favor both it and FSLR on improving Solar demand and pricing.

Confidence Ranking: \$\$



ResMed Attracts Unusual Large Call Buys

Ticker/Price: RMD (\$120.35)

Analysis:

ResMed (RMD) trading over 15X average calls today with buyers in the December \$125 calls from \$7.60 to \$7.70 early and up to \$8 later. On the morning, RMD has traded nearly 1,300 of these calls and will become the most notable position in OI by far without much other activity recently. Shares have traded strong recently riding the 8-EMA higher since earnings in May to test new highs.

RMD is moving out of a big weekly range above \$118.5 which targets \$140.50. The \$17.84B company trades 31.75X earnings, 7X sales, and 102X FCF with a 1.22% yield and double-digit EPS growth accelerating into 2021. RMD sees 10% sales growth in 2020 and 8.4% in 2021. The company has outlined a big growth strategy to impact 250M patients by 2025 through their two key growth areas: sleep apnea and COPD. The former has grown into a 10M patient business and considerable runway with over 80% of apnea cases undiagnosed. RMD's AirView and MyAir products are both seeing strong uptake with 55% growth in new setups. They have also kick-started a joint venture with Verily to study the financial impact of apnea to drive more engagement. Their COPD business targets 380M patients globally. RMD made a deal for Propeller Health in January which expands their size in the space with end-to-end solutions across the disease which will help them with patient acquisition in the 2H and 2020. Both instrument packages are also rooted in the cloud and SaaS which is giving RMD a lead in digital analytics and data management for patient care in these areas and a competitive advantage as they scale. Analysts have an average target for shares of \$111.50 with 4 buy ratings and 2 hold and some recent concerns about valuation. UBS upgraded to Buy in May. Short interest is 2% and near multi-year lows. Hedge Fund ownership rose 13% last quarter. WCM Investment adding 2.7M shares and now with 7M total. Stevens Capital and Twin Tree also notable buyers.

Hawk Vision:



Trading Strategy: RMD is showing clear momentum and the story is becoming increasingly attractive, one of the many Med-Tech leaders with a lot of upside potential.

Confidence Ranking: \$\$



Traders See More Upside for Boot Barn

Ticker/Price: BOOT (\$35)

Analysis:

Boot Barn (BOOT) buyers active today for 950 August \$35 calls for \$3.50 to open and follows 2,000 July \$35 calls bought last week. BOOT also had 875 November \$35 calls bought recently to open which remain in OI. Shares have traded strong since late 2017 and moving out of a big weekly range in June above \$31.50 which target \$43.50. Shares have been riding the 8-EMA higher over the last two weeks and long-term outperformance vs the broader retail sector since the December lows up 133% vs up 8.5%. The \$993M company trades 19X earnings, 1.28X sales, and 27.75X FCF with EPS growth of 21.1% and 18.9% through 2022. BOOT sees 11.5% revenue growth in 2021 and expected to hit \$1B in sales within two years. BOOT is coming off a strong quarter with comps up 8.7% driven by a stronger rodeo season in Texas. The company continues to see better full-price selling and lower shrink as margins expand to multi-year highs. Analysts have an average target for shares of \$33 with 7 buy ratings and 2 hold. DA Davidson starting at Buy last week with a \$41 PT. The firm thinks BOOT has multiple avenues to growth and remains the clear leader in western and work sector gear. They think BOOT can dominate its core niche as they roll out more private label products and gain greater brand recognition. Cowen raised their PT to \$42 yesterday expecting comps to jump 7% in Q1. Short interest is 14.3% but down from 26.8% in late 2017. Hedge Fund ownership fell 9% last quarter. Shellback Capital a buyer of 700k shares.

Hawk Vision:



Trading Strategy: BOOT has made an incredible move since choosing it is a top opportunity in a tough Retail group in Q4 2018. Shares continue to be attractively valued and stand out among its peers.

Confidence Ranking: \$\$

Additional Options Flow

Market/ETFs

Gold Miners (GDJ) with 25,000 July \$24/\$26 call spreads rolling to August \$28/\$30. **GDJ** block of 12,000 December \$28 calls bought \$1.29 offer. **GLD** July 12th (W) \$136/\$140 call spreads opening 10,000X as the \$134 calls adjust

NASDAQ (QQQ) with 15,000 July 5th (W) \$184/\$179 put spreads opening

Emerging Markets (EEM) with 35,000 September 30th (Q) \$41 puts bought to open today \$0.93

Healthcare (XLV) with 15,000 September \$98 calls opening \$0.80 as the September \$95 calls adjust that were part of a spread on 5-16 that also sold 25,000 of the \$80 puts to open

Semi's (SMH) with 10,250 August \$113 calls sold to open in a buy-write

Consumer Discretionary/Services

Guess? (GES) buyers of 1,500 July \$15 calls today for \$0.55/\$0.65

Dollar Tree (DLTR) buyers of 1,000 July 5th (W) \$111 puts for \$1.71 to \$1.75 today

Electronic Arts (EA) trading another 1000 August \$105/\$115 call spreads where some size opened yesterday

Disney (DIS) moving to day highs with 2000 October \$140 calls trading \$6.30 as a buy-write

Comcast (CMCSA) buyers active for 1,925 August \$42.50 puts for \$1.23 to open today, earnings on 7/25, **CMCSA** also with 3000 June 2020 \$40 puts bought to open \$2.70 in a block

Ralph Lauren (RL) with 1000 August \$110 puts bought \$4.60 to \$4.90

Overstock (OSTK) buyer of 2,000 August \$12.50/\$17.50 call spreads for \$0.75 in a stock replacement today, name trying to sell its retail business and CEO recently citing several interested parties

AMC Entertainment (AMC) buyers of 1,450 August \$10 puts for \$0.95 today and follows over 6500 of the September \$11 puts bought recently

Best Buy (BBY) buyers of 1,000 July 5th (W) \$67.50 puts for \$1.40 to \$1.50

Wynn (WYNN) also seeing buyers of 800 August \$135 calls today from \$3.05 to \$3.25 and follows the small July bull spreads earlier

Dollar General (DG) with 1,475 January \$135 puts bought for \$8.70 to \$8.80 into strength

Five Below (FIVE) buyer of 875 July 5th (W) \$120 puts for \$2.65 to \$2.76, spread vs a sale of the \$110 puts 625X and the \$123 calls 375X

Luckin Coffee (LK) pulled back to support over the last six days retesting its base breakout and 7000 September \$20 calls are bought \$2.25 offer to open here, and has 12000 of the December \$22.50 calls in OI

PVH Corp (PVH) buyer of 1,250 July \$90 puts for \$2.40 to \$2.65 to open today, some being spread with the \$85 puts

Consumer Goods

Philip Morris (PM) July 12th (W) \$80 calls hot early 2200X at \$0.70 to \$0.76. **PM** also seeing 400 December \$80 calls bought today for \$3.85 to \$4 to open

Newell Brands (NWL) weak name rallying today with 4,750 August \$14 calls bought up to \$1.70 to open, a lot of Hedge Fund ownership pushing for asset sales

Tyson Foods (TSN) buyers of 475 October \$72.50 calls for \$4.50 to \$4.60 to open, strong chart with shares flagging under \$84 and new highs

Cronos (CRON) buyer of 2,500 September \$16 calls for \$1.75 to \$1.85 into the lows

Energy

National Oilwell (NOV) seeing 3000 July \$20 ITM calls trade in the opening 10 minutes \$1.60 down to \$1.50

Diamondback (FANG) with 600 January 2021 \$105 puts opening today for \$16.50, tied to 24,000 shares of stock

Marathon Petroleum (MPC) with 900 January \$52.50 calls opening today between \$4.86 and \$5 as stock replacements

WPX Energy (WPX) with 1,250 January 2021 \$13 puts bought to open \$3.30

Western Midstream (WES) with 1,800 August \$31 calls bought today \$1.10 to \$1.15, Occidental reportedly looking to sell Anadarko's stake in the company

Apache (APA) trading 2500 July \$29/\$28 put spreads tied to stock and **Devon (DVN)** similar action in \$28.5/\$27.5 put spreads

Hess Corp (HES) IV dropping this morning as 2,000 July \$59 puts are sold to open for \$1.13 to \$1.09

Sun Run (RUN) seeing 2,500 November \$19 calls close today, opened as bull risk reversals in early May, and opening the February 2020 \$24/\$15 bull risk reversal 2,500X for a small net credit

EOG Resources (EOG) opening sale of 400 January \$80/\$75 strangles for \$18.30

McDermott (MDR) aggressive sweep buyer 5800 January \$9 calls \$1.80 offer, name that has seen synthetic longs open recently

Williams (WMB) with 8000 September \$28 calls sold for \$0.70 and **ONEOK (OKE)** with 4000 of the August \$70 calls sold to open, likely writing calls versus stock, collecting income

Parsley Energy (PE) buyer of 2000 September \$20/\$22.5 call spreads \$0.65. **PE** now with 10,000 January 2021 \$22.5/\$15 bull risk reversals opening \$0.65 debit in a stock replacement

Concho (CXO) with 1,000 September \$105 and \$110 calls being sold to open on the bid

EnSCO (ESV) with 1400 January \$7 calls bought \$2.15 to \$2.20 to open as Oil prices have improved

Petrobras (PBR) buyer of 4,500 July \$16.50 calls for \$0.38 today into weakness

Financials

E-Trade (ETFC) with 1500 August \$50 calls bought \$0.44/\$0.45 offer

Brighthouse Financial (BHF) buyers of 675 ITM November \$35 puts for \$4.00 to \$4.20 today with CSFB downgrading to Underperform and Goldman cutting to Sell

PaySign (PAYS) with 1000 December \$12.5/\$15 call spreads bought for a third time

Travelers (TRV) with 500 January \$155 calls bought \$6.20 offer

Noah Holdings (NOAH) opening sale of 1,000 September \$35 puts for \$1.40 with recent weakness, JP Morgan upgrading in late May with a \$52 PT

Greensky (GSKY) buyers of 1,300 September \$12.50 puts today from \$1.25 to \$1.45

South State (SSB) with 1,000 December \$65 puts being sold to open down to \$1.90 in unusual activity. The \$2.55B regional bank trades 1.07X Book with a 2.08% yield and ROE of 7.7%

Lincoln National (LNC) buyer of 1,200 October \$52.50 puts \$1.05

TrustMark (TRMK) unusual size today with 1,000 November \$30 puts sold to open from \$1.05 to \$0.90. The \$2.07B regional bank with a focus on the SE trades 13.9X earnings and 1.3X book with an ROE of 9.2%. **TRMK** also with 1,000 February \$30 puts sold to open for \$1.30 now

Zillow (Z) buyers 1,585 January \$60 OTM calls \$1.50

First Horizon (FHN) with 1,000 February \$13 puts sold to open for \$0.68, another regional bank seeing put sales. The \$4.4B Southeast-based bank trades 1X book with a 12.6% ROE

Schwab (SCHW) buyers active today into weakness for 670 January \$40 calls for \$5.00 to \$5.10

Stone Co (STNE) with 2,000 July \$27.50/\$25 put spreads bought to open today for \$0.75

Washington Federal (WAFD) with 1,000 January \$30 puts sold to open for \$0.95 today, another regional bank seeing bullish put sales. The \$2.7B financial trades 1.33X book with a 10.4% ROE

Square (SQ) seeing 7,000 July \$70 straddles sold to open today for \$5.38

EPR Properties (EPR) IV30 8.15% higher with unusual activity ass 1,860 August \$75 ITM calls open near \$3.60, trading 28X daily calls. EPR shares are trading in a narrow multi-week range with the rising 21 week MA supportive this week. The \$5.9B REIT focused on Entertainment, Recreation, and Education properties trades 14X FFO with a 5.86% dividend yield. BAML cut to Underperform on 6/11.

Vici (VICI) buyers active for more than 3,600 August \$22.50 calls this afternoon for \$0.35 to \$0.45 and also 1340 September \$22.50 calls bought for \$0.60, follows the CZR/ERI deal earlier this week

MasterCard (MA) with 1500 July 5th (W) \$260 puts opening \$3.60 to \$3.65

Pinnacle Financial (PNFP) forming a long consolidation pattern, and unusual activity today with 1,050 November \$60 calls opening \$1.55

Fair Isaac (FICO) some afternoon weakness and rising IV with unusual 735 January \$240 puts opening \$6.20 to \$7.40

Healthcare

Bausch Health (BHC) July and July 5th (W) calls active after the Allergan (AGN) deal, and BHC has the 16,979 October \$25 calls in OI

Neurocrine (NBIX) with 500 August \$85 calls sold to open down to \$4.85

BioMarin (BMRN) block of 1000 July \$85 calls trades \$3.90 mid-market, have to confirm OI tomorrow

BioHaven (BHVN) down hard last week after an offering and today seeing 1,200 July \$35 puts sold to open for \$1

Mirati (MRTX) a Biotech with a lot of bullish OI and the share offering well received today, seeing 1000 August \$125 OTM calls open \$1.90 to \$2

Omeros (OMER) IV higher with 540 November \$16 puts bought up to \$2.80 to open today, shares under support and the 200-day today

Bristol Myers (BMY) recovering today with 8000 August \$50 calls bought \$0.39/\$0.40 after a lot of bullish positions opened yesterday including risk reversals. **BMY** spreads also active today selling the December \$40 puts to buy the \$49/\$52.50 call spread for a net credit, 2000X

Dermira (DERM) buyer of 750 December \$10 calls for \$1.80, some commentary this morning it could be a target after the **AGN** deal

Boston Scientific (BSX) with 5,000 November \$43/\$48 call spreads trading again today for \$1.69 in a stock replacement today, similar to Friday which opened 4500X

CVS Health (CVS) sweep buy 1800 February \$60 calls for \$2.17

Becton Dickinson (BDX) opening sale 300 August \$250 puts \$6.70 to \$6.60

Melinta Therapeutics (MLNT) volatile name recently seeing 1,000 ITM July \$2.50 calls open this morning from \$3.10 to \$3.80

J&J (JNJ) with 7500 August \$150 calls sold to open down to \$1.20

McKesson (MCK) buyer of 1,000 July \$129 puts for \$1.95 to \$2.25

Teva Pharma (TEVA) seeing 13,500 December \$7 puts bought recently roll back to open 16,500 December \$10 puts for \$2.13 today into strength

Alcon (ALC) with 500 November \$60 calls sold to open \$3.20

Biogen (BIIB) the August \$230/\$265 call spread opening 500X today for \$15. **BIIB** also with the January 2021 \$350/\$500 call ratio spread opening 500X1000 at \$7.50

Abbott Labs (ABT) stock replacement opens 750 June 2020 \$85 calls for \$6.87

Zimmer Biomet (ZBH) with 425 December \$130 calls sold for \$3.05 to \$3.00 to open today

United Health (UNH) buyer of 1000 January \$230 puts \$9.85 offer

Agilent (A) with 1,200 August \$65 puts sold to open this afternoon for a small credit

Zimmer (ZBH) now with 1200 August \$105 puts sold to open \$1.10

Sangamo (SGMO) with 5000 July \$10 calls opening \$0.60 offer with shares basing for a few weeks, looks to be replacing stock

Lab Corp (LH) with 100 February \$160 ITM calls opening \$18.40 to \$18.50

Industrials

Colfax (CFX) on the lows with 2,000 August \$25 puts bought to open for \$1.00 to \$1.05

Dover Corp (DOV) IV running higher with 1,000 July \$95.50 puts bought for \$1.38 to \$1.40

Fed-Ex (FDX) spreads this morning selling 1,850 August \$175 calls to open and also selling 900 of the \$175 puts for \$18.70. **FDX** also seeing 750 September \$160 calls bought \$8.40 to \$8.50. **FDX** also seeing 2000 weekly \$157.5/\$150 put spreads open into earnings

Norfolk Southern (NSC) with 1500 July 5th (W) \$190 calls opening \$3.50 to \$3.70 this morning after 2000 of the \$200 calls opened yesterday. **NSC** also seeing 1300 September \$210 calls bought \$2 to \$2.10

Aecom (ACM) buyers of 1,150 September \$37.50 calls for \$1.60 to \$1.65 today, recent Starboard position as they urge a big picture strategic review

Delta (DAL) seeing over 1450 December \$50/\$45 put spreads bought to open

HEICO (HEI) with 400 August \$130 calls being bought today near \$5.50

Waste Mgmt. (WM) opening sales of 850 January \$110 puts \$3.50, popular strategy in the name for months now

Mettler Toledo (MTD) a name that always seems to be making new highs with 100 January \$850 puts bought today \$65, tied to stock

United (UAL) opening buy 1000 January 2021 \$90 calls for \$12.70 in stock replacement

Greenbrier (GBX) running higher here with 1,245 August \$30 calls bought up to \$1.50, earnings next week 7-2

Materials

Newmont Mining (NEM) with 2500 August \$40 calls bought \$1 to \$1.04

Barrick Gold (GOLD) with 10,000 December \$15 calls opening as July \$14 are adjusting this morning. **GOLD** also with 1000 September \$18 ITM puts sold to open \$2.25 as gold miners continue to enjoy the strong Gold price rally

US Steel (X) pressing to the early highs with 5,000 July 12th (W) \$15 calls bought for \$0.39 to open today. **X** now also seeing buyers of the August \$16 calls 2300X up to \$1.00

Int'l Paper (IP) buyer of 1,500 August \$40 puts for \$1.02 as some July puts adjust, recent containerboard price cuts expected to weigh. **IP** also seeing 1,000 August 2nd (W) \$44 calls open for \$1 today into 7-25 earnings

LyondellBasell (LYB) buyers of 1,200 July \$83.50 puts for \$1.24 to \$1.40 to open this morning

Harsco (HSC) unusual volume today with 2,000 July \$25 puts bought for \$0.45 to \$0.52. **HSC** also seeing 2,000 August \$25 puts open today for \$1.33 to \$1.35

Nucor (NUE) on the highs with 425 January \$47.50 calls bought for \$8.33 as some July calls adjust out ahead of earnings in mid-July, group has rallied recently despite cutting their outlook

Alcoa (AA) with 1,425 January \$22 calls opening for \$3.27 today as some July calls adjust, size October calls accumulating recently. **AA** another 5000 October \$24 calls trades \$1.65 offer. **AA** July \$23 call sweeps coming in at \$1 offer with 4000 trading after the 5K more October calls bought

Pan American Silver (PAAS) buyers this afternoon for 1,000 August \$12 calls for \$1.45 to \$1.50

Tronox (TROX) stock replacement buys 1,000 August \$10 calls today for \$1.85

Tech and Telecom

Extreme Networks (EXTR) opening seller of 10,000 December \$6 puts for \$0.90 today, shares basing after recent weakness

Uniti Group (UNIT) struggling name down over 6% today and 3,400 January 2021 \$12.50 calls being sold to open \$2.20 to \$2.15

IRobot (IRBT) with 1,000 September \$75 puts sold to open today for \$2.70 in a stock replacement

Sony (SNE) with 2,500 August \$55 calls opening today for \$1.73 in stock replacements, Third Point with a recent stake and push for divestitures

Zoom Video (ZM) iron condors active with the August \$115/\$120 call spread sold with the August \$70/\$65 put spread sold, 1250X. **SPLK** and **VMW** saw similar Iron Condors open yesterday in August.

Pinterest (PINS) with over 2,345 August \$25 puts sold to open today for \$1.60, common strategy in the recent issue. **PINS** also with 1,700 July \$27 calls bought on the day up to \$1.30

Microchip (MCHP) stock replacement opens 500 June 2020 \$90 calls for \$9.60 today, shares basing nicely above the 200-day

Anaplan (PLAN) with 1,735 January \$70 calls sold to open for \$2.20

Tyler Tech (TYL) unusual 175 August \$230 calls open \$3.20

Analog Devices (ADI) with 1,000 January \$125/\$105 bull risk reversals opening at a net credit

ST Micro (STM) with 1000 October \$17.50 puts sold to open \$1.85

Xilinx (XLNX) IV moving higher earlier with 2,000 OTM July \$130 calls bought \$0.32 to \$0.35

Match (MTCH) buyers of 700 January \$63 puts today \$6.50 to \$6.60

Weibo (WB) with 500 January 2021 \$55 calls sold today for \$6.10 in a buy-write

Accenture (ACN) earnings later this week and 500 July \$187.50 calls bought for \$3.80 to open earlier, Citi raising their PT to \$211 last week seeing above-consensus earnings this quarter

Unisys (UIS) moving strong mid-day with 2,450 July \$11 calls bought for \$0.20 to open, trading 7X average volume

KLA Tencor (KLAC) with some relative strength intraday and also seeing 275 August \$115 and 350 August \$120 calls bought to open on the offer. **KLAC** has September \$110/\$125 call spreads in OI from 5/21 as well. The \$18.3B Semi-Equipment Co. trades 12.7X Earnings and 4.2X Sales with a 2.65% dividend yield. **KLAC** exceeded estimates by a wide margin last quarter though a more cautious outlook due to the environment. KeyBanc raised its target to \$149 in May seeing demand improving and positioned best to peers as its logic and foundry customers build out 10/7nm capacity.

Chewy (CHWY) big jump mid-day as 3,500 August \$30 calls bought to open from \$4.00 to \$4.30, Lone Pine disclosing a 6.1% stake today in the recent issue

Vipshops (VIPS) stock replacement sells 1,300 January 2021 \$10 puts to open today for \$3.10

AT&T (T) block of 2,955 January \$32 puts sold to open for \$2.10. **T** also seeing 6000 Aug. \$33 calls bought today with July adjusting positions

Service-Now (NOW) seeing 585 February \$280 calls open \$34.50 this afternoon into weakness

Atlassian (TEAM) with 1,950 July \$115 puts sold to open this afternoon \$1.80 to \$1.70

Utility

PG&E (PCG) the July \$24/\$29 call spread bought 3,000X6,000 today for \$0.60, looks to be adding to OI

Dominion (D) with another 1,275 August ITM \$75 calls being bought for \$5.30 to \$5.50 here where 3,400 opened yesterday, anticipating a SCOTUS decision on the ACP pipeline case soon

Disclaimer:

Not Investment Advice or Recommendation

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