





## FEATURED OPTIONS RADAR REPORT



### Large Bull Trade Bets on Home Goods Retailer Hitting Highs

**Ticker/Price:** WSM (\$156.55)

#### Analysis:

**Williams-Sonoma (WSM)** traded 12X daily options on 7/28 including a massive 5000 contract November \$170/\$140 bull risk reversal at a \$2.40 debit and late in the day the August \$160 calls bought up to \$4.20 for 1000X. WSM shares have pulled back since April and basing now just above its rising 144-day moving average while the gap back to \$139.65 remains unfilled. The \$150 level seen as current support and needs to clear \$177 to really get moving out of this trend. WSM is a leading omni-channel retailer of home products with key brands such as Williams Sonoma, Pottery Barn, Pottery Barn Kids, Pottery Barn Teen, West Elm, Williams Sonoma Home, Rejuvenation, and Mark and Graham. The \$11.4B company trades 13.6X Earnings, 1.55X Sales and 10.1X FCF with a 1.53% yield, very attractive valuation as multiples have compressed after the strong 2021 but expecting 13% revenue and 19.5% EBITDA growth in 2022 and should be levered to the strong trends in home ownership. The company thinks they are on an accelerated path to accomplish \$10B in net revenue by 2025 comprising Pottery Barn at \$3.5B, West Elm at >\$3B, Williams Sonoma at \$1.6B and PB Teen and Kids at \$1.4B. Analysts have an average target of \$180 and short interest is 8% of the float. Goldman cut shares to Sell on 7-22 seeing tougher 2022 comps and the return of promotions weighing on margins, a \$154 target. BAML raised to Neutral with a \$180 target in June seeing its competitive advantages around scale, supply chain, and ability to cross sell across four large and well-known brands. It also notes the \$600M in cash and rising FCF giving it ample room for higher capex and capital return. Wedbush raised its target to \$200 in May noting the strong growth and continuation of expanding operating margins from record levels. Hedge Fund ownership dipped 7.8% in the latest quarter, Aristotle adding to its large holding while Select Equity reduced its large position.

#### Hawk Vision:



**Hawk's Perspective:** WSM is a high-quality retail name, though do prefer RH to it, look for a bull 8/21 EMA trigger for a long signal versus \$150 support.

**Confidence Ranking:** \$\$



## FEATURED OPTIONS RADAR REPORT



### Call Buyer in Computer Vision Leader Expects Breakout Move

**Ticker/Price:** AMBA (\$96.20)

#### Analysis:

**Ambarella (AMBA)** shares closed higher by more than 5% on 7/28 and ran into the close as 1100 November \$100 calls opened up to \$9.10, a large stock replacement. AMBA does not really have any other notable options positioning and will not report until September. AMBA shares on the weekly have pulled back to major \$86.50 support as the lower end of a value range that extends up to \$108. AMBA dipped below its 200-day moving average this week but regained the rising level on Wednesday. Ambarella is a leading developer of low-power system-on-a-chip, or SoC, semiconductors providing powerful artificial intelligence, or AI, processing, advanced image signal processing and high-resolution video compression. AMBA has moved into computer vision with key end-markets being security cameras and automotive cameras while seeing potential for emerging industrial and other applications. AMBA beat estimates in June noting its strongest product portfolio in history and is early in a transformation that is seeing operating margins expand. It is really growing out its Auto business and announced a partnership with Arrival on advanced driver assistance system in June. AMBA has a market cap of \$3.27B and trades 10X FY22 EV/Sales and 7.5X Cash with no debt. AMBA revenues are seen rising 34.6% in FY22 with EBITDA jumping 120%. Analysts have an average target of \$135 and short interest low at 4.7% of the float. Roth lowered its target to \$130 on 6/2 positive on the pipeline visibility for CV and Auto. Stifel raised its target to \$140 in June noting the excellent quarter despite a challenging supply environment and CV adoption is accelerating. MSCO in March noted AMBA has turned the cornering and its leadership position in the key market for computer vision at the edge is the primary driver moving forward. Hedge Fund ownership fell 9% last quarter.

#### Hawk Vision:



**Hawk's Perspective:** AMBA above \$98.25 would clear this small base and could start a nice run, the name is a bit rich on sales/earnings but also a strong balance sheet and one I have always thought of as an ideal takeover target.

**Confidence Ranking:** \$\$



## FEATURED OPTIONS RADAR REPORT



### Roblox Bulls Position for Accelerated Monetization, Earnings Lift

Ticker/Price: RBLX (\$78.25)

#### Analysis:

**Roblox (RBLX)** buyers active today 1,750 August \$82 calls for \$4.05 and follows bullish flow earlier this week in the November \$75 calls, August 6<sup>th</sup> (W) calls and put sales, and January 2023 calls. RBLX has seen size buyers in the Aug. \$85 calls recently, over 3500X, while the August \$80 call also with bullish flows. Large put sales have been popular out in October and December around the \$60 and \$70 strikes. Shares have traded down from 52-week highs near \$104 in May and bouncing this week off of YTD VPOC. A move back above \$82 key to shifting momentum back towards the buyers and can target high-volume nodes at \$86.25 and then \$93 on a move. The \$45B company trades 95X earnings and 39X sales with mid-20% growth. RBLX operates an online gaming platform that focuses on user-generated content creation. RBLX has been hugely popular during the pandemic, especially among younger demographics, and boasts over 42M DAUs. They introduced a premium experience in early 2021 and focus in 2021 has been on conversion of their massive base into more paid users and monetizing the platform. They also see more opportunity for advertising and expansion into International markets. RBLX expects to face tough comps from the pandemic and recent metrics already showed a slowdown Y/Y in user growth, albeit still a robust player within the massive mobile gaming market that is expected to hit \$150B by 2023. RBLX earnings will be 8-16 and closed higher by 21.3% in May. Analysts have an average target for shares of \$85 with a Street High \$103 from Truist. The firm out on 6/1 citing optimism around new features and platforms along with extensions such as learning, entertainment. Citic with a Buy rating and \$96 PT recently as they think Generation Z's penetration and monetization will drive continued rapid income growth. Benchmark started at Sell on 7/13 as the metaverse platform was a social utility during the pandemic that could unwind as social restrictions are removed and schools reopen. Short interest 4.5%. Tiger Global a big owner of stock, 40M shares, while Altimeter with 2.77M shares.

#### Hawk Vision:



**Hawk's Perspective:** RBLX has pulled back to ideal support around this big volume node from April and offers a nice risk/reward for a run back above \$80 ahead of earnings

**Confidence Ranking:** \$\$



## FEATURED OPTIONS RADAR REPORT



### Bull Adjusts Higher in Green Dot Ahead of Earnings as Tech Pivot Takes Shape

**Ticker/Price:** GDOT (\$47.50)

#### Analysis:

**Green Dot (GDOT)** seeing 1,000 November \$45 calls open today for \$6.10, adjusting higher the \$35 calls from early June, and follows size put sales at the \$45 strike across January, December, November and September expirations. GDOT is emerging out of a narrow range today with shares up 2% and room to run back to \$49.50 high volume node. Shares are forming a large cup and handle after pulling back from 52-week highs and a run above \$50 can run back to \$60-\$65 resistance. The \$2.5B company trades 17.2X earnings, 1.95X sales and 2.4X book with high-single digit growth. GDOT has been focused on investing in operational efficiency and improvements in 2021, simplifying their focus to take advantage of scalable new opportunities where they expect to drive long-term growth. GDOT has primarily been known for their prepaid cards and managed debit business but in January launched GO2Bank, their mobile banking app, which has seen strong demand early with GDV and purchase volumes up 28% and 22% in Q1. GDOT sees long-term potential for the app as they build out tools like credit monitoring, access to lending products, and other consumer-facing capabilities. GDOT sees a big market for their Go2Bank app with around 7M people in the US unbanked last year. Analysts have an average target for shares of \$60 with a Street High \$72. Truist with a \$65 PT for shares expecting to see margin expansion in 2022 as their investments in tech start to yield results. Short interest is 5%. Hedge fund ownership rose 1% in Q1, Par Capital a new position while Starboard has a 5.9M share stake, their ninth largest.

#### Hawk Vision:



**Hawk's Perspective:** GDOT sets up well here on the chart as it emerges back above the 8- and 21-EMA and clearing \$50 could be a big shift in sentiment overall; they report on Tuesday, lower the last three, and could be a nice dip buy with those \$45 short puts in OI

**Confidence Ranking:** \$\$

## **Additional Options Flow**

### **Market/ETFs**

**Gold (GLD)** with 35,000 October \$190 calls being bought \$0.61 to \$0.72 in early trade

**Nasdaq (QQQ)** early buyer 7000 September \$347 puts \$4.44 spread vs. the \$329 which may be adjusting a hedge

**S&P (SPY)** with 117,000 Aug. 16th (W) \$445 calls opening today as July 30th (W) \$433 adjust, also the Sep. 3rd (W) \$385/\$365/\$345 put fly 32,000X64,000 for \$0.22. **SPY** October \$440 puts active with size block buys midday as 16,000 trade for almost \$20M, paying \$12.04

**UltraShort Gas (KOLD)** unusual 5000 Aug \$17 puts sold to open \$1.50 this morning

**Ark Web 3.0 (ARKW)** buyer 1500 September \$150 calls \$7.70 to \$7.90, top holdings are **TSLA, TWTR, GBTC, TDOC, SHOP, SQ, COIN, TWLO, U, ROKU**

**Semiconductors (SMH)** strong rally and nearing new highs, the September \$275 calls with 10,000 opening today but smaller lots

### **Consumer Goods**

**I Robot (IRBT)** bullish spread today is selling 1000 January \$90/\$60 put spreads for \$13.63 and buying the January 2023 \$80 ITM calls for \$21.77, a structure we have seen a lot in 2021

**Tempur Sealy (TPX)** strong after earnings and buyers active for 1,700 December \$45 calls up to \$2.90 to open

**Wolverine (WWW)** lower after a beat and raise, faded all morning, but 2000 September \$35/\$30 bull risk reversals open here \$0.80 debit

**Oatly (OTLY)** stock and IV moving higher mid-morning with 2400 August \$17.50 calls bought for \$1.65/\$1.70

**Designer Brands (DBI)** popping with unusual 5500 September \$15 calls bought for \$1.20 to \$1.25

### **Consumer/Business Services**

**L Brands (LB)** with 4000 September \$80 calls bought today for \$4.86 as the \$75 calls adjust higher

**Uber (UBER)** August 6th (W) \$45/\$49 call ratio spreads active into weakness 5000X10,000 for 8-4 earnings. **UBER** block of 2850 November \$50 calls bought now \$2.39. **UBER** buyers into weakness also active for 4000 Aug \$47 calls

**Zynga (ZNGA)** spreads today are selling the October \$11/\$10 put spread for \$0.50 and buying the \$11 calls 3000X for \$0.45 with shares back at the 200-MA ahead of earnings on 8-5

**TAL Education (TAL)** with 4000 September \$7.50 puts sold to open \$2.45 bids

**Las Vegas Sands (LVS)** buyers of 1500 August 27th (W) \$44 calls for \$1.77 to \$1.80. **LVS** also with 4000 January \$40 calls bought for \$7.15, stock replacement

**Royal Caribbean (RCL)** with 2000 August 6th (W) \$81.50 calls bought for \$2.36 today, adjusting the July 30th (W) \$80 calls up and out into 8-4 earnings

**Penn National (PENN)** with 2000 of next week's \$73 calls being bought today up to \$2.55 ahead of 8-5 earnings

**Activision (ATVI)** with a buyer of the September \$90/\$100 call spread today 7000X14000 for \$0.99 debit

**Chipotle (CMG)** buyers of 750 August 6th (W) \$1850 calls today up to \$26.80, shares trying to clear a small post-earnings flag

**Discovery (DISCA)** jumpy seeing January 2023 \$20 deep ITM calls active 6975X and 2700 of the \$25 calls and another 10,000 of the \$30 calls that have seen 100K bought.

**Vroom (VRM)** with 1,350 January \$50 calls bought today from \$2.40 to \$2.45

### Energy

**Total SE (TTE)** with 700 January 2023 \$50 puts sold to open for \$10.11, adjusting some January 2022 short puts

**Cabot (COG)** into earnings tomorrow with 1075 January \$16 calls bought \$1.50 to \$1.55. **COG** the October \$17 calls now seeing buyers 1750X

**Denbury (DEN)** earnings on 8-5 and trader here buys 1,250 each of the August \$70, September \$75, and October \$80 calls to open

### Financials

**Blackstone (BX)** buyers of 1000 March \$125 calls for \$5.80, adjusting higher the January \$90 calls

**Affirm (AFFRM)** sweep buyers active early for 3000 August \$70 calls \$1.20 to \$1.25, nearing key breakout of base

**Lending Club (LC)** major earnings move and 1600 September \$20 calls open \$4.40 early. **LC** also 2600 January \$30 calls sold \$2.60 to open

**Equitable Holdings (EQH)** buyer of 1300 September \$30 puts for \$1.25, stock tied

**Marqeta (MQ)** with 1000 December 2022 \$40 calls sold \$5 in a buy-write

**MasterCard (MA)** buyers of 6000 November \$410 calls \$13.45 to \$14.70 into post-earnings day low

**MetLife (MET)** opening sale 3000 December \$52.5 puts \$2.08

**Morgan Stanley (MS)** opening sale of 750 June \$95 puts for \$10.05

### Healthcare

**Walgreens (WBA)** more bullish flow today with 925 January 2023 \$42.50 calls bought for \$7.50

**Edwards (EW)** spread sells 1000 August \$103 puts to buy 1000 of the \$112/\$120 call spreads at \$1.35 net debit. **EW** also with 1500 August \$108 puts bought today for \$2.05 to \$2.10

**Gilead (GILD)** with 700 March 2022 \$70 puts sold to open for \$6.25 today. **Gilead (GILD)** buyers 3000 August \$69 puts \$1.17 to \$1.23 into earnings

**Inovalon (INOV)** strong after M&A rumors earlier this week seeing spreads buy 2000 September \$40 calls while selling the August \$35 puts at net debits around \$1

### Industrials

**Canadian Pacific (CP)** buyer of 15,000 September \$72/\$60 put spreads for \$2.10

**Aptiv (APTV)** buyers of 1000 August \$170 calls \$4.30/\$4.40 into earnings next week

**IAA (IAA)** buyer 7500 August \$60 calls \$2.40 into earnings 8-3, name with over 40,000 October \$55 and \$60 calls bought in OI

**Virgin Galactic (SPCE)** buy-writes selling 1175 March \$47 calls near \$5. **SPCE** seeing nearly 3000 January \$27 puts bought to open now \$5.10 offer

**Tesla (TSLA)** hot mover today seeing 10,000 August 13th (W) \$650/\$630 bull put spreads open, some big blocks Aug. \$670 calls bought \$31 to \$34.50 with 10K trading as weekly \$650 adjust, size in Sep. \$800 calls with sellers active for 9,825X, and nearly 3500 November \$1050 calls active with buyers \$5.30 to \$6. **TSLA** also trading over 2000 November \$800 calls with buyers \$34 to \$36.60

**Gentherm (THRM)** buyers of 500 August \$75 calls for \$5.40 to \$6.80 today, earnings this morning and shares up over 10% and trying to clear a multi-month range to new highs

**Raytheon (RTX)** opening sellers of 1125 September \$85 puts for \$1.95

**Lennar (LEN)** strong with Housing names today and 3400 February \$105 calls being bought for \$10.50, size trades

**Arc-Best (ARCB)** unusual 875 max-strike March \$90 calls bought \$1.40 to \$1.60, reports 8-2, strong Trucker results thus far

**Ford (F)** with 43,750 October \$14 puts opening today near \$0.84 as August adjust. **F** now also seeing 6000 November \$16 calls bought for \$0.73 to \$0.74, some weekly calls adjusting

**TuSimple (TSP)** buyer of 2000 August \$55 OTM calls for \$1 ahead of 8-5 earnings

**Honeywell (HON)** with 1000 January 2023 \$330 calls opening \$28.75, below fair value

**Magna (MGA)** working off of the 200-MA today and seeing buyers of 265 December 2022 \$70 calls for \$19

**Spirit Aero (SPR)** buyer of 1000 December \$50/\$65 call spreads as \$45/\$55 adjust

**3M (MMM)** with 500 January 2023 \$210/\$190 bear risk reversals opening for \$6.70

**Hub Group (HUBG)** buyer 2000 August \$65/\$60 put spreads with the \$75 calls sold into earnings tonight, may be protective

### Materials

**Barrick (GOLD)** with 7500 November \$22 calls bought \$1.35

**Newmont (NEM)** buyers active 3000 September \$67.50 calls as gold miner flows hot along with **GLD** calls

**Albemarle (ALB)** aggressive buys of nearly 400 Dec. \$240 OTM calls \$7.90 offer

**Freeport (FCX)** more October \$40/\$50 call spreads being bought today, over 1700X, spot where 1000 bought yesterday. **FCX** buyer 10,000 Sep. \$42 calls for \$1.27 as 5000 Sep. \$35 close at \$4.60. **FCX** also with 1200 February \$36 calls bought today for \$6.35

**Arcelor (MT)** with 1000 March \$36 puts bought and 1000 March \$33 puts bought

**Rio Tinto (RIO)** buyer 10,000 January \$96.57 calls, adjusts back \$99.07 calls. **RIO** also buyer 1000 January \$91.57 calls \$4.30

**Cliff Natural (CLF)** buyer 2000 January \$26 calls \$4.30 offer

**Mosaic (MOS)** buyers of 1800 Aug. 13th (W) \$32 calls for \$1.02 to \$1.07 ahead of 8-2 earnings

**Alcoa (AA)** buyers opening 3,750 January \$55/\$65 call spreads today for \$1.05



**Anglo Gold (AU)** buyers in the October \$22 calls 2900X for \$0.95, similar to other gold miners today

**Builder's First (BLDR)** spreads today are selling the August \$45 puts and buying the \$47/\$50 call spread 1500X for a net credit

**Bunge (BG)** opening sale of 1000 January \$75 puts for \$3.80, popular approach in this name that remains very cheap on valuation and just posted a great quarter

**Constellium (CSTM)** with 5000 November \$21/\$26 call spreads bought to open as the August \$19 calls adjust out

**Trex (TREX)** buyers of 450 January \$105 calls today for \$6.50 to \$6.60 ahead of 8-2 earnings although weak history lower the last four straight

**US Steel (X)** with 1420 Sep. 3rd (W) ITM \$23.50 calls opening \$3.12 into earnings tonight as this week calls adjust, also 3600 June 2022 \$25 puts being sold to open this afternoon \$5.15/\$5.10

### Tech and Telecom

**Zuora (ZUO)** shares strong early with 1600 September \$19 calls being bought for \$0.95, near a small flag breakout today

**HP (HPQ)** buyers of 5,500 August 6th (W) \$29 calls for \$0.35 today, basing in a small range above its 200-day MA

**Dropbox (DBX)** with 2,600 September \$33 calls bought for \$1.38/\$1.41 today into the breakout move

**Ring Central (RNG)** early buyers of 700 September \$300 calls from \$7.50 to \$7.80

**JD (JD)** aggressive buy into lows of 11,000 January \$80 calls \$4.25

**Google (GOOGL)** buyer 435 Jan. 2023 \$4000/\$4500 call spreads

**Pinduoduo (PDD)** with 1000 October \$85 calls opening for \$12.55, adjusting back some \$140 calls from buyers in May

**Facebook (FB)** with 4000 December \$390 calls sold for \$14.32 to buy the \$330 puts for \$14.61, likely collaring stock given the strong run up in shares. **Facebook (FB)** steady near lows after earnings down 4.15%, buyer of 1000 October \$375 calls this morning \$10.70 to \$11, also 1000 November \$350/\$320 bull put spreads, also December \$360/\$390 call spreads active 6000X this afternoon

**Bilibili (BILI)** with 500 March \$95 calls bought today for \$14.90 in a stock replacement

**Coupa (COUP)** buyer 150 December \$200 calls \$35.40 to \$36

**Western Digital (WDC)** with 2500 next week \$65 calls bought \$2.72 as July 30th (W) adjust for earnings 8-4

**Shopify (SHOP)** with 2,750 January \$1300 calls opening for \$320.54 today, over \$88M, as the September \$1,050 calls from 4/14 adjust out, position originally in the April \$900 calls from December

**Analog Devices (ADI)** with 1000 September \$170 calls buying to open near \$4.60 as Semi's rally

**Fortinet (FTNT)** spread into earnings tonight bought 400 August \$240 puts \$1.85 and sold 400 of the \$290/\$310 call spreads

**Cloudflare (NET)** opening seller 500 September \$120 puts \$8.65 to \$8.35, also trading another 1500 September \$130 calls

**Norton Lifelock (NLOK)** with 9750 August \$24 puts bought up to \$0.45 earlier

**Pinterest (PINS)** drops to day lows now down 6% into earnings as 9200 September \$67.5/\$55 put spreads are bought for \$2.97

**Snap (SNAP)** trading October \$80/\$90 call ratio spreads 4000X8000

**Alibaba (BABA)** since midday with 3000 March 2022 \$160 puts bought \$9.40

### Telecom/Utility

**BCE (BCE)** dips here as 7500 March \$50/\$40 put spreads are bought for \$1.85 to open, unusual large trade for the name, reports 8-5

**AT&T (T)** with 23,000 October \$29 puts opening today with August \$30 adjusting

#### **Disclaimer:**

#### **Not Investment Advice or Recommendation**

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