



**Sector Leaders**

Real Estate

Industrials

Financials

**Stock Gainers**

FTCH 9.5%

NVAX 8%

ALVR 7%

EQT 7%

LMND 6.75%

ELAN 6%

GOCO 6%

M 5.5%

**Volatility Gainers**

- MESO
- ACB
- BDSI
- PK
- GOCO
- INO

**High Call Volume**

- CLNY
- PRGO
- KTOS
- PAYS
- QRTEA
- MESO

**Bullish Options**

- GM
- TWTR
- GILD
- TSLA
- VVNT
- VIAC
- BMRN
- MTCH
- ZNGA
- DELL

**Market Review:** Stocks were a bit lower overnight though US stocks held up much better than Europe, some weaker than expected data out of China/Europe weighing on sentiment on the growth recovery. In morning US data Productivity came in very strong while Retail Sales for July also beat estimates and Industrial Production rose 3% in-line with forecasts. The first read of Michigan Consumer Sentiment for August was up slightly to 72.8 and beat estimates with little change in POV from July. The big focus remains stimulus where there was little progress again today. The President spoke around 1pm and did make some promises that he would concede on certain elements – State Aid, in particular – if Democrats would give more room on some of his more pressing issues around the election. The S&P traded in a pretty quiet range for most of the day holding Thursday's lows as well as week-to-date VWAP and then stalling out. The 8-day MA remains support but extended run without a close below since 7/28 and with ranges contracting more and more, potential for a little more volatility next week. Industrials were strong today with a nice red-to-green move from the open above their 8-EMA. Tech was lagging with software specifically weak.

**S&P Chart:**



Resistance	Support
3,365	3,300
3,400	3,245
3,500	3,200

**Options Action Trends:** We saw a bunch of bearish flow into some of the China names where red flags have been raised in the past like **TAL**, **EDU**, and **GSX** after the IQ SEC inquiry.

**What's On Tap:** The earnings schedule quiets down though enter a period of some key Tech reports and a bunch of Retail results. The top names reporting include **WMT**, **BABA**, **JD**, **HD**, **NVDA**, **LOW**, **EL**, **TGT**, **TJX**, **SE**, **DE**, **ADI**, **ROST**, **A**, **SNPS**, **KEYS**, **JKHY**, **AAP**, **NDSN**, **LB** and **BJ**. Economic data also a light schedule with Housing data early in the week, FOMC Minutes on Wednesday, Philly Fed on Thursday, and then Flash PMI numbers on Friday for August. Investors will continue to monitor developments on the stimulus front.

**Trade Tracker Portfolio Changes:**

- 1) No Changes

**Sector Laggards**

Utilities

Healthcare

Tech

**Stock Losers**

IQ -15%

GSX -12.5%

NOVA -12.2%

DKNG -7%

BIDU -6.2%

IIVI -6%

CPE -6%

**Volatility Losers**

- HPE
- BTAI
- PRPL
- SNDL
- VAL
- FTCH
- RKT

**High Put Volume**

- ELAN
- PBI
- MESO
- WHR
- XPO
- HST

**Bearish Options**

- FSLY
- WHR
- FLR
- M
- GME
- AR
- ELAN
- CCOI
- TAL
- GSX



## FEATURED OPTIONS RADAR REPORT



### Oracle Put Sales See Shares Holding Support

Ticker/Price: ORCL (\$54)

#### Analysis:

**Oracle (ORCL)** shares pulling back the last two weeks and on 8/13 some bullish activity with 20,000 September \$52.50 puts sold to open \$1.335 and 2,250 of the June 2021 \$47.50 puts sold to open for \$3.10, positioning suggesting limited downside and a willing to own. ORCL on 7/30 with 2,300 of the March \$47.50 puts sold to open and on 7/15 the March \$50 puts with 2,000X sold to open. ORCL also saw some large call buys in March and April in the January 2022 \$52.50 calls and March 2021 \$52.5 calls that remain in OI. ORCL will next report earnings mid-September. ORCL shares pulled back to near its flat 200 day MA this week and testing pivotal VPOC, an ideal level to base and bounce. Shares worked out of a one-year pullback trend in June and are retesting that breakout level. ORCL had solid numbers last quarter despite the pandemic and noted some hospitality, retail and transportation customers delayed purchases. ORCL has a ton of cash and could be in the market for some more software deals. Jefferies out with a \$55 target in April noting Oracle should look to deals to re-rate shares higher with a better growth profile after \$55B in buybacks the past two years, acquisitions are a better use of cash given investors' growth bias and the current dislocation in asset prices. **Mongo-DB (MDB)** a name recently mentioned in takeover chatter with ORCL a rumored buyer. The \$166B software company trades 12.3X Earnings, 5X EV/Sales and 19.55X FCF with a 1.77% yield. ORCL has a low growth profile and outlook as it has been a long move trying to transform to faster growth areas. Analysts have an average target of \$54 and short interest low at 1.7% of the float. JPM upgraded shares in March to Overweight with a \$55 target noting Oracle's resiliency across economic cycles and notes 70% of revenues are recurring/renewable. Argus cut shares to Hold on 6/19 noting management says growth will accelerate in 2021 but Argus does not see it gaining much traction and cash flow from operations is falling off. Hedge Fund ownership fell 6% in Q1 filings.

#### Hawk Vision:



**Hawk's Perspective:** ORCL is a tough own with its low growth in a high growth industry, though nice reward to risk versus its 200 MA, really want to see it put some cash to work in M&A.

**Confidence Ranking:** \$\$



## FEATURED OPTIONS RADAR REPORT



### Unusual Call Surge in Building Material Growth Name

Ticker/Price: BLDR (\$31.35)

#### Analysis:

**Builders FirstSource (BLDR)** traded 120X daily call volume on 8/13 as more than 10,000 September \$32 calls were bought to open \$1.75 to \$2.10 in large sweeps. The only other notable open interest is the 5000 November \$15 puts sold to open on 7/9. BLDR shares with a big move this week clearing the early 2020 highs and the 138.2% extension of the COVID correction targets a run to \$36. BLDR was in the news this week on news it will join the S&P 400 as of 8/17.

BLDR end-markets are 71% single-family and product distribution is 28% specialized, 41% value-added, and 31% lumber and sheet goods. BLDR is a leading vertically integrated building material supplier in a highly fragmented industry. The \$3.5B company trades 13.2X Earnings, 3.87X Book and 9.35X FCF. Analysts have an average target of \$30 and short interest is low at 2.5% of the float. B. Riley upgraded to Buy with a \$30 target on 8/3 citing rebounding demand and higher lumber prices a catalyst for margin improvement and notes a historically strong record of cash flow and execution. RBC raised its target to \$31 citing the rise in lumber and OSB prices, demand acceleration and SG&A leverage. It also notes with leverage declining it becomes investable for a greater number of funds and sees balance sheet flexibility allowing it to target M&A or return cash to shareholders. Hedge Fund ownership jumped 21.7% in Q1 filings.

#### Hawk Vision:



**Hawk's Perspective:** BLDR has been on a run and if it can close the gap and pull back to that 8 EMA a nice opportunity, a good fragmented space where we have long liked BLD, IBP.

Confidence Ranking: \$\$



## FEATURED OPTIONS RADAR REPORT



### Dell Calls Accumulate as PC Sales Surge, VMW Stake Decision Anticipated

**Ticker/Price:** DELL \$59.50

#### Analysis:

**Dell Tech (DELL)** with 1,100 December \$62.50 calls bought on 8/13 for more than \$1.2M, buyers paying around \$10.70, and follows a \$1.7M buy in the December \$60 calls on 8/11. DELL has seen some near-term flows as well in the Aug. \$62.50 calls while the September \$55 calls with 950 in OI from a buyer on 7/28. DELL closed weak with a gap under \$57.80 back to \$55.75 which aligns with the rising 50-MA and trend support from the March lows. The current consolidation under \$61 has room to \$67 on a run higher. The \$44.23B company trades 8.83X earnings, 0.5X sales, and 6X FCF with high-teens EPS growth. DELL has a lot of moving parts but they should post strong PC sales in Q2 with Work-from-Home tailwinds and IDC noting that shipments in the industry overall were up 11%, the highest since 2009.

They also likely fare well into the Fall with Back-to-School season driving larger uptake of new purchases as more students outfit home setups given the growing need for e-learning. The main focus for DELL in recent weeks has been their stake in VMW. In July the company said they were exploring a spinoff of their stake in order to unlock value. The 81% position would happen after September 2021 and be tax-free. The move would improve DELL's investment grade status and help them pay down their near \$50B in debt. Analysts have an average target for shares of \$54.50. Deutsche Bank with a \$65 PT while MSCO upgrading to Buy saying Dell will now offer a combination of market share gains, delevering potential, and a simplified ownership structure. JP Morgan added shares to their Focus List noting that the firm expects an immediate benefit to Dell shares, "even with a one-year wait." They see \$80/share potential under the best scenario. Short interest is 1.1%. Hedge fund ownership rose 7.6% in Q1, Canyon Capital, Fir Tree, and Lakewood Capital all notable buyers. In March, Michael Dell bought \$26.5M in stock at \$31.70.

#### Hawk Vision:



**Hawk's Perspective:** DELL closed weak yesterday and more attractive entry if it can get back to the 50-MA and trend support around \$55 and with earnings on 8/27, one to watch for a better setup into that event

**Confidence Ranking:** \$\$



## FEATURED OPTIONS RADAR REPORT



### Vivint Bull Sees Further Upside as Home Improvement Trend Continues

**Ticker/Price:** VVNT \$18.65

#### Analysis:

**Vivint Smart Home (VVNT)** with 1,000 November \$12.50 calls bought today for \$7.30, stock replacement, and most notable trade in the name in some time. VVNT has seen a lot of insider buying recently including the CEO adding \$1.7M in stock between 5/12 and 8/13 at prices from \$12.93 to \$19.36. VVNT shares have been strong recently working out of a multi-week base above the rising 21- and 55-MA with a measured target above \$18.50 out to a high-volume area from March at \$25. The \$3.29B company trades 10X EV/EBITDA, 4.5X sales, and 25X cash. VVNT was formed in early 2020 through a SPAC-deal with Mosaic. The company is a leader in smart home tech and cloud-enabled solutions for the home such as door locks, outdoor and indoor cameras, thermostats, lighting controls, smart speakers and many other connected devices. They have a wide variety of partnerships including a recent deal with garage door manufacturer Chamberlain to bring their tech together for clients. VVNT has seen client growth continue during the pandemic despite headwinds to sales and installs and now sitting at 1.6M customers in North America. They see themselves in a great position over the next 12-24 months as the focus has shifted greatly towards the home and improvements in their environment which will drive demand for their services. VVNT has key advantages over peers keeping costs lower as a vertically integrated entity from hardware, software and installs while their CEO anticipates doing more small deals to consolidate a fragmented space. Analysts have an average target for shares of \$18. JP Morgan adding to their positive catalyst watch on 8-7, a high-conviction growth idea, with a strong outlook in the current environment. They upgraded shares to Buy in June and on 8-13 noting that the company is in the sweet spot right now, "Vivint boasts a "meaningful" leadership position in the professionally installed, smart home/home security market at a time when homeowners are making significant investments in their homes." They expect the brand profile to improve in the coming quarters, which should help drive up sales and investor interest. Short interest is just under 2%. Notable hedge fund investors last quarter include Davidson Kemper and Fortress while Blackstone has a sizable equity stake.

#### Hawk Vision:



**Hawk's Perspective:** VVNT is an interesting name and certainly in a big area of future growth with connected home a key theme for the foreseeable future and the pandemic likely pulling forward a lot of demand, one to watch

**Confidence Ranking:** \$\$

# ***Additional Options Flow***

## **Market/ETFs**

**S&P (SPY)** seeing nearly 3000 September 2021 \$340 calls bought early \$26.80 to \$27.03 in an otherwise very quiet opening thirty minutes, over \$8M

**Silver (SLV)** with a block of 13,000 December 31st (Q) \$40 calls bought for \$1.04

**Industrials (XLI)** with 1,800 January \$82 calls sold to buy the \$68/\$60 put spread

**China Internet (KWEB)** with buyers of the September \$65 calls here from \$2.95 to \$6.10, 7500X

## **Consumer Discretionary/Services**

**Far-Fetch (FTCH)** active September \$29 calls 2000X and 5000 January \$30 calls bought \$6.65, have to confirm OI Monday though as could be closing into big 17.5% move higher after tons of bullish August and September call buys highlighted last few weeks

**Las Vegas Sands (LVS)** with 3,000 August 28th (W) \$50 calls bought \$1.15, adjusting some August calls out

**Viacom (VIAC)** buyers of Aug. \$28 calls up to \$0.58 for 3000X. **VIAC** also triggering breakout of range and 200 MA is right here, name with 50K Aug \$25 synthetic long in OI. **VIAC** also 10,000 December \$29 calls bought here \$3.20 to \$3.35 in a large sweep. **VIAC** also seeing 5000 December \$30 ITM puts open \$5.20 to \$5.40

**Macy's (M)** buyer 5000 Aug. \$7.50 puts \$0.54 into takeover chatter move

**Match (MTCH)** with 400 September \$90 ITM calls opening near \$30. **MTCH** now also with 850 August 28th (W) \$122 calls bought \$3.45 to \$3.50 and spread with sales of the \$114 puts in risk reversals

**GameStop (GME)** buyers active 6000 September \$5 puts this morning near \$0.92, earnings early September

**Qurate (QRTEA)** into weakness a seller of more than 18,500 January \$5 puts for \$0.45 to \$0.40

**Peloton (PTON)** with 44,750 January \$30 puts sold to open for \$0.59 as the \$20 short puts roll back in strikes

**Planet Fitness (PLNT)** IV moving earlier with 2,000 August \$57.50 calls bought for \$0.90 to \$1

**Activision (ATVI)** with 4500 September \$92.50 calls sold to open around \$0.48

**Park Hotels (PK)** jumping this afternoon with 3000 September \$12.50 calls bought for \$0.35

**Wynn Resorts (WYNN)** the September \$82.50 puts being sold to open today for \$5.75, 900X

## **Consumer Goods**

**Walmart (WMT)** stock replacement sells 10,000 August \$130 puts \$2.30 into earnings next week

**Kroger (KR)** now also seeing the August \$35.50 puts bought 2,000X into strength from that rumor and follows the 3,000 August \$36 puts bought earlier

## **Energy**

**Southwestern Energy (SWN)** buyer 15,000 September \$3 puts \$0.28 and sells 23,000 of the \$2.50 puts \$0.08

**Antero (AR)** with 10,000 September \$4 puts bought today \$0.40 to \$0.45

**Exxon Mobil (XOM)** with 2800 December \$47.50 calls sold to open for \$1.69

**Hannon Armstrong (HASI)** with 1000 October \$30 puts bought for \$0.85 and still has 4000 October \$25 puts in OI

**Schlumberger (SLB)** opening sale of 1,500 February \$20 puts for \$2.82, stock replacement

**Marathon (MPC)** opening sellers of 975 September 2022 \$27.50 puts for \$5.31 in stock replacements today, recently reached a deal to sell Speedway

**Hess Corp (HES)** spread buying the September \$55/\$60 call spread near 900X and some \$47.50 puts being sold today as well

### Financials

**Red Rocks (RRR)** spread sells 3000 September \$15/\$12.5 put spreads for \$0.70 credit and buys 3000 of the \$17.5 calls at \$0.80. RRR seeing same bull put spreads with call buys 2500X in October expiration too

**Rocket (RKT)** post-IPO base and seeing opening sales 2950 September \$18 puts today, while September \$22 calls being sold to open 3050X. **Rocket Mortgage (RKT)** with the December \$18/\$13 put spread bought 10,000X20,000 now for \$0.90 debit

**First Horizon (FHN)** with buyers of 3,800 September \$10 calls for \$0.60 to \$0.70

**Citi (C)** buyers of 2,500 August 28th (W) \$53 calls for \$1.67 to \$1.71, adjusting some August calls

**Vornado (VNO)** with 1,500 March \$30 puts bought for \$3.30 to open, name tied to commercial real estate

### Healthcare

**Gilead (GILD)** with 7500 August \$69 calls hot in early trade near \$0.75

**BioDelivery Sciences (BDSI)** stock and IV jump with 1,325 December \$5 calls bought up to \$1.10

**BioMarin (BMRN)** with 1,100 September \$125/\$145 call spreads bought for \$4.80 into data

**GoHealth (GOCO)** with 1000 September \$15 calls bought \$2 to \$2.50

**Unity Bio (UBX)** with 1000 September \$10 puts bought \$1.75 to \$1.85

**Novavax (NVAX)** ITM Sep. 25th (W) \$115 calls opening 300X near \$40

**Elanco (ELAN)** big buy 10,000 January \$27 puts \$3.40 to \$3.70 into rumor driven strength

**Sage Therapeutics (SAGE)** with 1,000 November / February \$50 put calendar spreads bought today for \$3.30

**Alector (ALEC)** with 750 October / January \$15 call calendar spreads bought for \$2.50 into weakness, small-cap bio that is back around 2019 lows

**BioNTech (BNTX)** with 700 OTM November \$100 calls being bought today between \$9.30 and \$9.50, looking for a move back above the July peak with upcoming COVID data

**CIGNA (CI)** with 500 August 28th (W) \$182.50 calls bought today up to \$5

**Mesoblast (MESO)** with 3,000 October \$12.50 puts sold to open for \$2.90, stock up 50% today after positive FDA panel decision

**Karuna Therapeutics (KRTX)** with 725 August \$90 calls being bought today from \$1.80 up to as high as \$2.75 this afternoon with shares back at the 200-day and basing. KRTX a big jump in November after posting positive data in acute psychosis among schizophrenia patients

### Industrials

**General Motors (GM)** August \$27.50 calls with over 5000X bought opening 10 minutes

**MDC Holdings (MDC)** strong homebuilder with 500 September \$45 calls being bought this morning for \$1.85, some spread with the \$50 calls and also 400 September \$44/\$39 bull put spreads active

**Whirlpool (WHR)** buyer 3,125 September \$160/\$140 put spreads for \$1.60

**Fluor (FLR)** buyers 3000 October \$10 puts in offer sweeps at \$0.80, recently delayed 10-Q

**Tesla (TSLA)** with 1000 September \$1920 calls opening above \$70 as August \$1700 adjust

**WESCO Int'l (WCC)** the September \$45/\$50/\$55 call butterfly spread opening 750X1,500 with shares back above the 200-day this week

**KC Southern (KSU)** buyer of 500 September \$180 puts for \$7.90 with the \$195 calls sold 1,000X against for \$2.55, likely collaring stock with the recent M&A-fueled run

**Honeywell (HON)** spread today buys the January 2022 \$130 calls for \$39.35 and sells the January 2021 \$175 calls for \$5.32 and the January \$155/\$135 bull put spread for \$6.17, done 800X

**DuPont (DD)** with 1000 October \$55 puts bought \$2.08 with stock

**Fed-Ex (FDX)** with 1,000 January \$175 puts opening for \$9.05 today, stock replacement

**Union Pacific (UNP)** with 2,250 August \$195 calls bought this morning up to \$2.30 with recent talk of rail consolidation

**Paysign (PAYS)** with 2,500 January 2022 \$7.50 calls opening for \$2.54, rolling up the \$5 calls bought in stock replacement in May

**Trane Tech (TT)** with 550 December \$120 calls being sold to open for \$7.50 to \$7.80, likely stock overwrite into strength

### Materials

**MAG Silver (MAG)** with the November \$15 puts sold to open for \$1.65, 2000X today

**Hecla Mining (HL)** opening sales 2670 Dec. \$7 puts \$1.98

**Freeport (FCX)** buyers active 9000 September \$15 calls this morning \$0.39 to \$0.45. **FCX** also with 600 February \$13 calls bought \$2.54 to \$2.56 today

**Alcoa (AA)** opening seller 3000 January \$10 puts \$0.56

**Kinross Gold (KGC)** continuing to draw bullish flow with 5,000 February \$8 puts sold to open this afternoon for \$1.11

**Vale SA (VALE)** opening seller of 16,250 December \$10 puts for \$0.66

**KennaMetal (KMT)** with 1000 October \$30 calls sold earlier for \$3.10 in a buy-write with stock

### Tech and Telecom

**Twitter (TWTR)** buyer 10,000 November \$40 calls \$3.25 offer, adjusting September \$35 12,700X

**Fastly (FSLY)** with 1,475 August 28th (W) \$70 puts bought \$2.20 to \$2.30

**Nutanix (NTNX)** with 1,000 August 28th (W) \$21 calls bought today for \$1.40 as the weekly calls roll out

**Apple (AAPL)** stock buyer with 2000 March \$550/\$380 collars.

**Mongo-DB (MDB)** with 750 August \$200 calls opening \$6 to \$6.50 this morning, recent M&A chatter

**Sabre (SABR)** with 4000 September \$8 puts sold to open this morning for \$0.60, some big January bull spreads in OI still

**Uber (UBER)** opening sales 2000 September 4th (W) \$33 puts \$3.30



**Dell Tech (DELL)** with 2,500 September \$62.50 calls opening for \$2.18 as the August calls roll

**NVIDIA (NVDA)** buyers in October \$600 OTM calls today 1600X \$5 to \$5.40 range

**Fastly (FSLY)** with 825 March \$70 puts selling to open \$16.70 bids

**Western Digital (WDC)** opening sale 1500 November \$32.50 puts for \$2.15

**Cogent (CCOI)** with 500 September \$65 puts bought \$2.25 into weakness

**TAL Education (TAL)** with 6,385 November \$67.50 calls sold to open this morning for \$11 to \$10.90, some August short calls adjusting and down a bit today with the IQ news and one that Muddy Waters had targeted in April

**GSX Edu (GSX)** with 3,500 September \$125 calls sold to open for \$2.50, adjusting some Aug. short calls as well. **GSX** also seeing 4000 September \$120 calls sold to open today

**Keysight Tech (KEYS)** with 925 September \$92.50 puts sold to open for \$1.35/\$1.30, common strategy in the name

**Nuance (NUAN)** shares moving back near the highs with buyers of the January \$32 calls for \$1.75, 880X

**Service Now (NOW)** mid-day buyers active for 3,000 August \$460 calls from \$1.77 to \$2.00 to open, continues to set up well

**Pitney Bowes (PBI)** with 5,000 January 2022 \$5 puts bought for \$2 with stock

**IQIYI (IQ)** down 15% today with the SEC investigation and 4000 January 2022 \$7.50 puts being bought for \$1.15 to \$1.23 to open

**HP (HPQ)** with over 1785 September 2021 \$20 puts being sold in stock replacements today for \$4.30

**CloudFlare (NET)** with the January \$44 ITM puts sold for \$9.90 to open today, over 585X

### Utility

**PG&E (PCG)** with 2,500 November \$10 calls bought for \$0.83 today

#### **Disclaimer:**

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

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