



Sector Leaders

Solar

Banks

Transports

Stock Gainers

- MNTA 69%
- HUD 45%
- GRWG 19%
- IRTC 19%
- HOME 14%
- TGT 11.6%
- PGNY 11%

Volatility Gainers

- FCEL
- SABR
- PLUG
- QURE
- MRO
- ADPT

High Call Volume

- GRWG
- AVTR
- ADPT
- AXTA
- A
- TGT

Bullish Options

- PINS
- PLUG
- SE
- BA
- MYL
- NAV
- FCX
- YETI
- GPS
- VRM

Market Review: Stocks were again quiet overnight and modestly higher into the open, strong results continued out of Retailers like Target and Lowe's while the market awaited the FOMC Minutes. The WTO threw cold water on the optimism for an economic V-recovery in 2021 while stimulus in the US remains stalled. M&S has picked up recently, a Biotech deal this morning at a 70% premium with J&J buying Momenta, and a number of other smaller deals. It was a rotation morning with Banks, Retail and Transports leading upside while Biotech, Software pulled back and REITS and Gold were very weak. Markets sat at highs into the FOMC Minutes at 2pm and the rest of the week focused on Jobless Claims, Philly Fed, and August Flash PMIs. The USD rallied after the FOMC Minutes though overall the statement was quite accommodative.

S&P Chart:



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

Options Action Trends: Early action brought in speculative call buying in Fuel Cell names **PLUG, FCEL**. The Brazilian names **VALE, PBR** both with large contract call buys longer-dated. The Chinese education names **EDU, TAL** with put buyers. In afternoon trading we saw some large January 2021 covered bull risk reversals in **ADSK, UNP, PPG**.

What's On Tap: Jobless Claims, Philly Fed and Treasury Auctions. Earnings from BABA, EL, KEYS, ROST, MLCO, BJ.

Trade Tracker Portfolio Changes:

- 1) No Changes

Sector Laggards

Gold

REITS

Biotech

Stock Losers

- BMRN -35%
- GLPG -25%
- VIPS -21%
- SABR -13.3%
- JKHY -12%
- CREE -9%
- BTG -9%

Volatility Losers

- MNTA
- HUD
- CRON
- CREE
- M
- BMRN

High Put Volume

- QURE
- GT
- BMRN
- RMD
- GES
- CREE

Bearish Options

- TSCO
- MRTX
- RMD
- QURE
- HSY
- SPGI
- VIPS
- TAL
- ALBO
- UBER
- NIU



FEATURED OPTIONS RADAR REPORT



Air Products Bulls See Upside with Hydrogen Market

Ticker/Price: APD (\$286.35)

Analysis:

Air Products (APD) opening buyers of 1000 December \$300 calls \$14.50 to \$14.80 in the afternoon on 8/18, a large position for the name that has 500 December \$310 calls bought on 7/21 in OI and 1300 December \$230 short puts. It also has 1000 September \$250 and \$270 calls in OI that were sold to open in likely buy-writes. APD shares are forming a weekly bull flag with the most recent pullback holding near the rising 21 MA and needing to clear \$193 to breakout and target another trend move to new highs. The \$63.6B industrial gases company trades 29.55X Earnings, 15.8X FY21 EBITDA and yields 1.85%. Forecasts see revenue growth returning to the 7-9% range in 2021 and 2022 and 10-17% EPS growth, a name that has screened as best-in-class the last few years.

APD generates 52% of revenues from On-Site & Pipeline, 30% from Liquid Bulk, 12% from Packaged Gas, and 6% from Equipment/Services. Its gasification technologies has a number of benefits and increasing usages. APD is a positive pricing story leading to healthier margins and sustainable outsized EPS growth while capital deployment is another catalyst. APD's gasification strategy is a growth theme that appears to be in the early innings, especially in the China coal to chemicals industry in the early stages of reconstruction. Hydrogen fuel cell vehicles are another long-term opportunity with APD's expertise and IP in hydrogen dispensing. Analysts have an average target of \$295 and short interest low at 1.1% of the float. CSFB out positive July noting the JV with ACWA and NEOM significantly accelerates APD's foray into carbon-free hydrogen markets and will solidify its leadership in the large-scale green hydrogen for transportation market, which could yield significant future opportunities (focused primarily on powering buses and trucks). BMO raised its target to \$363 last week and sees upside the next two years to estimates with its recent LNG project. MSCO raised its target to \$325 on the merchant pricing thesis and sees green hydrogen focused investments as an incremental upside driver. Hedge Fund ownership slid 1.1% in Q2 filings, Findlay Park and King Luther Capital top holders.

Hawk Vision:



Hawk's Perspective: APD remains a favorite and really like this angle with Hydrogen seeing a lot of uptake, a core own.

Confidence Ranking: \$\$



FEATURED OPTIONS RADAR REPORT



Adaptive Bio Unusual Call Buys into Strength

Ticker/Price: ADPT (\$42)

Analysis:

Adaptive Biotech (ADPT) with 3,400 September \$45 calls bought to open today up to \$2.00 and running around 15X average in the name. ADPT has limited open interest but did see some January \$40 and \$45 calls sold recently into the run-up, potentially overwriting stock. ADPT shares are basing nicely at the 38.2% Fibonacci retracement of the rally in March/April and around the 200-day with a move higher targeting \$48 and then above the July highs to \$60. The \$5.66B company trades 61.5X sales and 9.9X cash with virtually no debt and strong forward growth profile seeing 80% revenue growth in FY21 and 30-40% in FY22. ADPT focuses on high-throughput gene sequencing using their unique platform to analyze T-cell receptors and utilize the immune system at scale to analyze cancers, autoimmune diseases, and many other areas. ADPT has partnered with Microsoft to develop blood tests that can diagnose multiple diseases in a single test and working with Genentech on an oncology collaboration. COVID-19 has accelerated interest and demand for their immunoSEQ product with the launch of their T-MAP COVID product which helps vaccine developers map receptors and significantly improve analysis of their candidates in development. They continue to expand the use cases of their other commercial product clonoSEQ into areas like NHL and see expanded payor coverage as a key driver of growth in 2021 and beyond. They see the flexibility of their platform as a big advantage going forward as it allows them to quickly move into new areas and opportunities. ADPT sees a massive TAM across life science research and drug development. Analysts have an average target for shares of \$52. Goldman initiated at Buy in June with a \$60 PT citing the strength of their platform and future trajectory with a lot of potential from immunoSEQ Dx and their drug discovery pipeline. They note that their cell therapy collaboration in oncology with Genentech and future sole expansion into autoimmune disease alongside cancer vaccines, provide "two key growth levers." Short interest is 1.6% and down from 4% in January. Hedge fund ownership fell 4% in Q2 but notable buys from Healthcor and ARK Investment while Viking Global, Baker Bros., Perceptive, Peregrine, Tiger Management and Casdin Capital all notable holders.

Hawk Vision:



Hawk's Perspective: ADPT looks to be a compelling growth story and one of the kind of names to invest long-term as another strong growth play in diagnostics.

Confidence Ranking: \$\$



FEATURED OPTIONS RADAR REPORT



Upside Call Buyers into Alarm.com Weakness

Ticker/Price: ALRM (\$58)

Analysis:

Alarm (ALRM) stock and IV ramping with 1500 September \$60 calls bought \$1.95 to \$2.35 to open. ALRM has 1000 September \$62.5 calls in OI bought on 8/7 but overall little open interest. ALRM shares are back to a key low from August when it sold off on news of the Google/ADT partnership/stake and holding a nice rounded base on its rising 144 day MA. The \$2.83B company trades 35.3X Earnings, 5X EV/Sales and 55X FCF. ALRM forecasts see revenue growth of 11% this year and 7.5% in 2021, so not a high growth name, but profitable with solid FCF margins and a 30%+ ROIC. ALRM is a leading platform for the connected home and business, a cloud based (SaaS) operating system which enables service providers and their subscribers to intelligently manage and control their residential and commercial properties with highly advanced IoT technology solutions. It has 6.8M subscribers and 100M connected devices on its platform. The global smart security market is seen having a 20%+ CAGR the next few years. Analysts have an average target of \$67.50 and short interest at 10.3% of the float trending lower nearing a two-year low. Blair downgraded shares 8/3 on the ADT/GOOG overhang, though noting it is not a material impact to ALRM as it would be hard for ADT to move 3M subscribers to another platform. ADT is ALRM's largest customer at 15-20% of revenues and a master agreement through 2022 and Ray-Jay sees little impact beyond hardware. Northland raised its target to \$72 in July on positive industry checks and stable pricing with improving demand trends. Hedge Fund ownership rose 10.6% in Q2 filings, Brown Capital increasing a large position.

Hawk Vision:



Hawk's Perspective: ALRM has a clear line in the sand to trade against that big down day low, so reward/risk looks favorable here for what may have been an overblown reaction.

Confidence Ranking: \$\$



FEATURED OPTIONS RADAR REPORT



Bullish Activity in Vroom Post-Earnings

Ticker/Price: VRM (\$61)

Analysis:

Vroom (VRM) bullish spreads are selling 1,250 September \$50 puts for \$1.70 to buy the \$60/\$75 call spread 2,000X for \$4.05 and name which has some upside Sept. call spreads in OI but otherwise quiet name since its debut in June. VRM ran strong up to around \$70 in early August before pulling in on earnings to the 50% retracement and rising 21-MA. A move above \$62 can fill the small gap and make a run at new highs. The \$6.89B company trades 5X sales and 10.5X cash with limited debt and explosive growth – forecasts for 96% revenue growth in FY21 and 56% growth in FY22 and profitability within three years. VRM is a leading online auto dealership focusing on used vehicles. They are coming off a strong quarter as demand swung positive after April and they worked inventory levels back up to normal levels which will help drive 2H outperformance. VRM is benefiting from better used car prices with Manheim noting yesterday that prices overall were up 3.4% to start August and continuing a trend as new vehicle supply remains lean. Analysts have an average target for shares of \$63.50 with 6 buy ratings and 4 hold. Wedbush with an \$80 PT noting that their flexible model allowed them to scale back and forth with the COVID demand dip in April and return in May and June. Baird a buyer into weakness noting that unit volumes and gross profit forecasts were bright spots and should the focus as guidance remains difficult to project. Stifel positive in July noting that VRM can easily win share from dealers and private transactions and become the number two online dealer in the used automotive space. Wells Fargo sees a long runway given their asset-light approach, experienced management team and \$840B total addressable market. Short interest is 0.9%. VRM saw a lot of smart funds take positions in Q2 including Durable Capital, Altimeter, Whale Rock Capital and Samlyn Capital.

Hawk Vision:



Hawk's Perspective: VRM looks to be another winner in this emerging space with CVNA the clear leader, and as noted yesterday like the name versus that recent low.

Confidence Ranking: \$\$

Additional Options Flow

Market/ETFs

Software (IGV) trader adjusting a protective position closing 1000 September \$300/\$285 put spreads and opening 2,000 of the \$290/\$275 put spreads for \$3.15

S&P (SPY) morning opening buys 1325 Mar. 31st (Q) \$340 calls above \$21 for over \$2.75M. **SPY** 10,000 October \$335 synthetic long positions opening today at \$3.25 debit. **SPY** a few other large trades today, the Dec. 31st (Q) \$349 calls sold to open 30,000X at \$11.52 in a buy-write, also a buyer of 5000 March 2021 \$345 calls to open \$18.15 for \$9M

Utility (XLU) buyer 5750 March \$49 puts \$1.28 into FOMC Minutes

Ultra Crude (UCO) with 8000 January \$40 calls bought \$2.902 offer since 2pm with some OPEC news on the tape, near a nice range break

Consumer Discretionary/Services

Papa John (PZZA) unusual buys of 1000 Sep. 4th (W) \$100 calls to open

Zynga (ZNGA) with 11,500 October \$10 puts sold to open \$0.98

International Gaming (IGT) with 1000 January 2022 \$12 puts sold to open \$4.50

Gap (GPS) with 10,000 October \$17 calls opening \$1 to \$1.18

TAL Education (TAL) buyers of the November \$67.50 puts for \$4.10, 2000X, and recent short calls opened in size

Brinker (EAT) with 1,500 September 2021 \$45 calls sold for \$7.50 in a buy-write with stock

New Education (EDU) buyers of 1000 September \$130 puts today from \$3.00 earlier to \$3.40, similar to **TAL** puts this morning

Gaming & Leisure Properties (GLPI) with 1,000 October \$39 calls sold \$1.55 to \$1.62, adjusting higher some September short calls

Consumer Goods

Hershey (HSY) buyers 625 September \$150 puts \$4.30 to \$4.50

Yeti (YETI) jumping with nearly 5000 next week \$50 calls bought

At Home (HOME) with the September \$20 calls bought \$2.10 to \$2.30 to open this morning, over 1700X ahead of 9-2 earnings

Dollar General (DG) buyers of 900 November \$200 calls this morning above \$12, earnings 8-27. **DG** now 2500 Sep \$200 calls opening \$8.50 in stock replacement, and November calls up over 1350X

B&G Foods (BGS) another 3,350 September \$30 calls bought up to \$1.50 where buyers were active yesterday 2500X

Anheuser Busch (BUD) opening sale 1000 January 2022 \$60 ITM puts for \$10.66

Clorox (CLX) buyers today of 700 September 4th (W) \$230 calls for \$3.90 to \$4.00, pulled back to the 50-day after a strong run and basing a bit this week

Keurig Dr. Pepper (KDP) jumps with 2500 Oct. \$29 calls opening \$1.35 in stock replacements

Yum (YUM) buy-write with 2500 January \$105 calls at \$1.95

Energy

Ballard Power (BLDP) with 1500 ITM September \$17 puts sold to open today \$1.95 to \$1.90, fuel cell play working out of a small base this week

Petrobras (PBR) spread today buys 15,000 October \$9/\$10 call spreads for \$0.32 and sells the \$8 puts to open for \$0.33

Devon Energy (DVN) put sales remain popular with 10,000 January 2022 \$7.74 sold for \$1.80

Targa (TRGP) buyer 6000 January 2022 \$12 puts \$2.55 as 3000 of the January 2021 \$14 adjust

Financials

S&P Global (SPGI) with 400 December \$320 puts opening \$10.50 to \$10.80

PagSeguro (PAGS) with 1,500 September \$47.50 calls bought for \$1.63 as the \$40 calls close 1325X and roll up

Citi (C) with 4000 next week \$50 calls bought up to \$1.50

Rocket Co (RKT) with 1,000 December 2021 \$30 calls bought for \$4.90 to open this morning, recent issue that is forming a small base around \$20. **RKT** unusual structured trade sold 5000 Dec. \$23 straddles and bought 5000 of the \$27 calls

Public Storage (PSA) with 800 October \$185 puts sold to open \$4.60

AIG seller of 1200 February \$30 calls for \$3.30 in a buy-write

Visa (V) strong trading 11,000 next week \$205 calls

Citi (C) large spread selling December \$42.5 puts to buy \$52.5/\$60 call spreads over 10,700X

Global Payments (GPN) spread is selling the December \$150 puts to buy the \$180/\$200 call spread at no cost, 3,189X

Bank America (BAC) with 20,664 January \$22 puts sold to buy \$27/\$31 call spreads

MasterCard (MA) with 2000 January \$280 puts sold to buy the \$350/\$400 call spreads

Healthcare

Mirati (MRTX) with 750 October \$160 calls sold to open \$8.55

Mylan (MYL) buyers 3000 October \$17.50 calls \$0.81 to \$0.82

Sorrento (SRNE) into weakness buyer 4500 December \$12/\$20 call spreads for \$1.60

RedMed (RMD) with 600 September \$190/\$170 put spreads opening

UniQure (QURE) with 1,000 September \$35 puts bought \$1.60 as some August puts adjust

HCA Health (HCA) with 750 March 2021 \$140 puts sold to open for \$18.85 in a stock replacement

Opko (OPK) with 5000 January 2022 \$4 calls opening \$2.30/\$2.32 as the \$3 calls adjust

Albireo (ALBO) buyer 5000 September \$15 puts \$1.55 versus October \$10 puts sold \$0.50

Medtronic (MDT) with 16000 February \$105 calls bought \$5.50 and 1600 of the \$120 calls trade \$1.31, both legs bought. **MDT** also with 1,700 September 25th (W) \$94 puts sold to open for \$1.37

1 Life Healthcare (ONEM) sellers of 1,000 February \$30 calls for \$6.40 this morning

Walgreen (WBA) opening sale 1000 January 2022 \$35 puts for \$4

Sarepta (SRPT) buyer 500 February \$150/\$130 strangles for \$44.60

Exelixis (EXEL) with 600 November \$20 synthetic long spreads being bought today as some August calls adjust out

Inovalon (INOV) with 3000 September \$25 calls bought \$1.55 as 2300 Aug 17.50 calls adjust

Amarin (AMRN) with 2150 Mar \$4 puts sold to open \$0.90

Bristol Myers (BMY) buyer 2000 November \$65 calls earlier \$2.70 offer

Quidel (QDEL) with 1,400 September \$200 calls bought for \$48.50 as the August \$190 calls roll out

Bausch (BHC) with 5,000 September \$19 puts sold for \$2.34 to open as some August short puts adjust out. **BHC** also with 3000 September \$20 puts sold to open for \$3.27

Sage Therapeutics (SAGE) with 750 November / February \$45 put calendar spreads opening for \$3.20, similar to the Nov/Feb \$50 put calendar spreads 8/14

Cooper (COO) reports early September and seeing September \$310 calls bought 300X up to \$9.57 and the \$300 puts sold to open 300X down to \$7.87

Cardiff (CRDF) a speculative \$130M Biotech with oncology focus unusual 1500 September \$7.50 calls bought \$1

Industrials

FuelCell Energy (FCEL) smaller fuel cells play with 8000 September \$3.50 calls bought up to \$0.50 today, nice weekly flag

Navistar (NAV) with 2500 September \$34 calls opening \$2.50

Johnson Controls (JCI) with 1000 October \$41 puts sold to open for \$2.15

Coherent (COHR) with 1185 September \$125 calls sold to open down to \$2.35

NIU Tech (NIU) with 1000 September \$17.50 puts bought \$1.25, small-cap manufacturer in China which makes electric scooters

Boeing (BA) buyer of 1,000 October \$160 calls for \$20.45 to \$20.75. **BA** spread bought 1500 January \$150 calls and sold 2,250 of the \$235 calls

Harley (HOG) buy-write with 3500 February \$34 calls sold \$1.95

Pulte (PHM) afternoon seller of 1,000 September \$46 puts for \$1.85

Union Pacific (UNP) now seeing January 2021 covered bull risk reversals 2,824X as the \$165 puts sold to buy \$200/\$230 call spreads

Raytheon (RTX) spread is selling the February \$50 puts to buy the \$65/\$75 call spread 6,186X for \$0.97

Materials

Freeport (FCX) buyer 10,000 November \$16 calls \$1.04 with the \$14 calls adjusting

Newmont (NEM) with 600 October \$70 ITM puts sold to open \$6.20 to \$6.05

Bunge (BG) buyer of 1,500 OTM January \$60/\$70 call spreads for \$0.65, focus on potential M&A in 2019. **BG** also seeing over 3000 September \$50 calls bought around \$0.60

Anderson's (ANDE) with 1,250 December \$20 calls opening for \$1.55, rolling out of 500 August \$15 calls, consolidating just below the 200-day

Vale SA (VALE) buyers 10000 December \$13 calls \$0.51 offer, similar to **PBR** call buys, Brazil names

Barrick (GOLD) with 12,000 September \$26 puts sold to open for \$0.40

Owens Corning (OC) with 800 November \$60 ITM calls sold to open for \$9.70 to \$9.60 today

PPG Industries (PPG) spread sells the January \$100 put to buy the \$125/\$140 call spread 4,551X for \$2.30

Tech and Telecom

Pinterest (PINS) buyers active 2500 September \$36 calls early \$2.19 to \$2.40

Sea (SE) buyer 650 September \$170 calls \$3.20 with Aug. \$150 adjustment. **SE** Jan. \$200 calls active 3900X with 4,295 in OI and will confirm OI tomorrow

CrowdStrike (CRWD) buyer 300 Oct. 2nd (W) \$108 calls for \$8.45

Amazon (AMZN) February \$3300 calls active 1,175X with buyers appear to be spreading with \$3700 and \$3750 calls

Facebook (FB) seeing 5000 November \$300 calls open this morning as September \$285 adjust. **Facebook (FB)** buyer 10,000 March \$265/\$305 call spreads into afternoon dip. **FB** 2900 Dec. \$265/\$290 call spreads bought today

Microsoft (MSFT) November \$235 calls accumulating 5500X this morning in smaller lots

Z-Scaler (ZS) buyer 1000 November \$115 puts \$8.70 tied to stock

Roku (ROKU) sweeps buying 1000 October \$155 calls \$10.40 to \$10.80

IBM (IBM) buyer 2000 January 2022 \$220 far OTM calls \$1.19

Micron (MU) opening sellers of 1,100 September 2021 \$37.50 puts for \$4.60 into the pullback

Pinduoduo (PDD) buyer 1300 next week \$110 OTM calls \$2.44, earnings 8-21, also 1275 of the \$98 calls bought \$6.20 offer. **PDD** 3500 next week \$105 calls being bought aggressively

DataDog (DDOG) opening sale 300 January 2022 \$75 puts for \$17.55

Coupa (COUP) buy-write with 250 January 2022 \$450 calls sold \$23

Cerence (CRNC) with 500 October \$60 calls bought around \$4.00 to \$4.25 as some August \$50 calls roll out and up into strength

Fastly (FSLY) seeing some sweep buys next week \$85 calls up over 2500X here \$1.85 to \$1.95

Fire-Eye (FEYE) more speculative action today as 8500 next week \$15.50 calls opening \$0.24 to \$0.31

Google (GOOG) with 850 February \$1560/\$1760 call spreads bought

Uber (UBER) buyers 3000 Sep. 11th (W) \$28.5 puts up to \$0.85

Tenable (TENB) with 500 March \$400 calls bought for \$3.20 and also seeing 500 of the March \$45 calls bought \$1.75 to \$2.20 with shares on the highs, strong chart consolidating just below new highs

Micron (MU) buyer 30,000 October \$45 straddles at \$6.38

Spotify (SPOT) buyer 1000 next week \$265 calls \$6.40 to \$7

JD buyer 2000 October \$75/\$85 call spreads

Crowd-Strike (CRWD) with 1,350 September 4th (W) \$107/\$92 put spreads opening for \$4.85 targeting 9-2 earnings

Autodesk (ADSK) spread is selling the January \$210 puts to buy the \$260/\$290 call spread 2,225X for a \$1.85 credit

Advanced Micro (AMD) stock replacement buys 5000 November \$85 calls to open \$7.90

Cloudera (CLDR) buyer of 3,000 September 4th (W) \$13/\$15 call spreads for \$0.30 targeting 9-2 earnings

Utility

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Not Investment Advice or Recommendation

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