



Sector Leaders

Biotech

Banks

Software

Stock Gainers

FL 8.5%

VMEQ 7%

FUTU 6%

MSTR 6%

BNTX 6%

SPOT 5.5%

Volatility Gainers

- AUPH
- STAA
- BEKE
- DOC
- SNOW
- ELS

High Call Volume

- HLT
- IMGN
- ADNT
- ELF
- PPL
- BJ

Bullish Options

- LVS
- BBWI
- NVDA
- ITCI
- MTCH
- SPB
- REGN
- TTD
- DASH
- ETSY
- COIN
- HLT

Market Review: Stocks pulled in overnight after rebounding Thursday and an overall choppy week that has led to some weakened momentum across most sectors. China continues to cause volatility with further regulatory actions and the Delta variant continues to weigh on global growth which may lead to a more dovish Jackson Hole outcome next week. Stocks rose off the open and S&P futures moved back up to 1-week and 1-month VWAPs. Biotech one again led strength while there was a mix of strength between growth and retail as Software, Banks and Retail led. Semiconductors were a notable laggard. Overall market breadth trended higher through the morning, first day of positive breadth this week and both the S&P and Nasdaq worked back above 8 and 21 day moving averages.

S&P Chart:



Resistance	Support
4,450	4,370
4,500	4,315
4,600	4,225

Options Action Trends: In early flows we saw a lot of small cap Biotech call spreads with **HGEN, IMGN, ITCI**. We saw opening longer-dated put sales in **UBER, LYFT** into weakness. We saw some further adjustments in Travel/Leisure large call positions like **HLT, CZR**.

What's On Tap: The earnings schedule slows next week but still now large cap reports due from **CRM, MDT, INTU, PDD, SNOW, DELL, ADSK, WDAY, DG, PANW, PTON, SPLK** and a few others. On the economic front we have Flash PMI numbers for August to start the week as well as Inflation data, Home Sales, Durable Goods, and Personal Income/Spending. The Jackson Hole Economic Symposium will likely take a lot of the focus.

Trade Tracker Portfolio Changes:

- 1) Spotlight: Sell the **SQ** September \$250/\$240 Put Spreads for \$3.30 Credit (Bull Put Spreads)
- 2) Closed **UNH** Calls \$9.50 (Opened \$7.50)
- 3) Rolled **CVS** Calls to September \$82.50 for \$1.10 Debit
- 4) Long **CERT** Stock \$29.30 (Stop \$25)

Sector Laggards

Semi's

Bonds

Metals

Stock Losers

FATE -18%

SABR -9%

SNOW -8%

STAA -7.9%

BGNE -7.2%

PZZA -4.6%

Volatility Losers

- CNI
- FUBO
- TLRV
- VIPS
- PACB
- DVN

High Put Volume

- MGI
- ENDP
- APO
- ROST
- EIX
- SKIN

Bearish Options

- FATE
- F
- APLS
- WDC
- DQ
- LAZR
- CLI
- AMC
- BILI
- ADSK
- PTON
- FROG



FEATURED OPTIONS RADAR REPORT



Bulls Active in Post-Spin Beauty Market Retailer

Ticker/Price: BBWI (\$65.50)

Analysis:

Bath & Body Works (BBWI) is seeing some large call buys following the recent separation of L Brands into Victoria Secret and BBWI. The September \$60 calls have 10,000 bought in open interest from 8/17 and 8/18 trades and the \$65 calls bought 10,000X on 8/19 to open. The November \$65 calls bought 4000X to open on 8/18 for \$1.67M. BBWI has a strong chart with the recent pullback to the rising 55-day moving average holding firm and now back near highs after significantly beating EPS estimates and raising its outlook. Bath & Body Works, which sells products under the Bath & Body Works, White Barn, C.O. Bigelow and other brand names, is one of the leading specialty retailers of body care, home fragrance products, soaps and sanitizers. It operates more than 1,735 Bath & Body Works stores in the U.S. and Canada and has more than 285 stores in more than 30 other countries operating under franchise, license and wholesale arrangements. BBWI currently has a market cap of \$17.83B and trades 15X Earnings, 1.35X Sales and 7.45X FCF with a 0.92% dividend yield. BBWI expects to grow revenues long-term at mid-to-high single digits. BBWI is the leading specialty home fragrance and fragrant body care name in America and more than 30% of sales are now digital. Sales fall into 35% Mall, 31% Off-Mall, 31% Digital, and 3% International, the latter where it sees a significant opportunity for growth. BBWI sees an \$87B TAM across its three core markets with low penetration of 3% in the \$71B Bath, Beauty & Body industry. Analysts have an average target of \$80 with short interest low at 2.3% of the float. UBS has a \$90 target positive on the report and sees multiple expansion with its solid growth prospects. Jefferies upgraded to Buy on 8/5 noting BBWI consistently out-grows and out-margins peers.

Hawk Vision:



Hawk's Perspective: BBWI has solid financials and is in the perfect retail space of Beauty that is resilient in all environments. Shares are attractively valued and a name that stands out among peers.

Confidence Ranking: \$\$



FEATURED OPTIONS RADAR REPORT



Calendar Spreads Position for Upside into Key Early 2022 Biotech Event

Ticker/Price: ARNA (\$45.80)

Analysis:

Arena Pharma (ARNA) with an unusually large trade on 8/19 as 3000 January/April 2022 \$50 calendar call spreads opened at a \$4.50 debit, a name lacking much notable open interest. ARNA shares have been very weak since last November and down 40% YTD but are nearing trend support from 2017 and 2020 lows, a 61.8% retracement of that same range, and key volume node resistance all in the \$40/\$44 zone. ARNA is a biopharmaceutical company focused on delivering novel, transformational medicines with optimized pharmacology and pharmacokinetics and its pipeline includes multiple potentially first- or best-in-class assets with broad clinical utility. Its most advanced investigational clinical programs include: etrasimod (APD334), being evaluated in a Phase 3 program for ulcerative colitis, or UC, a Phase 2b/3 program for Crohn's disease, or CD, and a Phase 2 program in alopecia areata, or AA. ARNA currently has a market cap of \$2.88B and trades 3X cash while recently announcing a collaboration and option agreement with Aristeia Therapeutics that it feels bolsters its mid-stage pipeline to collaborate on the advancement of RIST4721, an oral, highly selective CXCR2 antagonist, which has the potential to be developed for a range of immune-mediated inflammatory diseases. ARNA has a strong \$1.1B cash position and operating cash burn in Q2 rose to \$93.8M. The ARNA options positioning is targeting a key event, the readout of top line data from the pivotal Phase 3 ELEVATE UC 12 and UC 25 studies for etrasimod in ulcerative colitis in Q1 2022. ARNA also pushed out CULTIVATE from 2H21 to Q2 2022 which is seen as a higher risk event for shares. Analysts have an average target of \$95 with short interest fairly low at 5.7% of the float. Goldman sees a 75% probability of success for the ELEVATE UC12 and UC25 readout and has a Buy rating with a \$90 target. Cantor Fitzgerald lowered its target to \$93 recently seeing the eventual etrasimod launch pushing to 2023 in UC and in Crohn's to 2024 but notes plenty of shots on goal and a lot of catalysts the next 12-18 months that can drive significant upside. Citi started shares Buy in April with a \$101 target seeing a lot of upside in the pipeline. Alkermat has a \$120M position in ARNA.

Hawk Vision:



Hawk's Perspective: ARNA is an ugly chart but at this Price/Cash with upside catalysts the strategy here does look well thought out positioning for upside on the key data.

Confidence Ranking: \$\$



FEATURED OPTIONS RADAR REPORT



Unusual Call Buy in Leading Consumer Destination Provider

Ticker/Price: MTN (\$285.30)

Analysis:

Vail Resorts (MTN) with an unusual large trade on 8/19 as 1000 September \$290 calls opened for \$5.40, a long-time high quality name that has pulled back 10% over the past month and does not see a lot of options trades but does have some short puts in October \$320, \$310, \$290 and \$280 strikes. MTN found some support yesterday re-testing a key flag breakout from earlier in 2021 that is a high volume node zone and could put in a bottom here which is also the 61.8% retracement from the gap-higher move in November. MTN operates in three business segments: Mountain, Lodging and Real Estate, which represent approximately 87%, 13% and 0% of revenues, respectively. The Mountain segment operates thirty-seven world-class destination mountain resorts and regional ski areas and includes ancillary services, primarily including ski school, dining and retail/rental operations. The Lodging segment manages a collection of luxury hotels and condominiums under our RockResorts brand. The Mountain segment derives revenue through the sale of lift tickets, including pass products, as well as a comprehensive offering of amenities available to guests, including ski and snowboard lessons, equipment rentals and retail merchandise sales, a variety of dining venues, private club operations and other winter and summer recreational activities. MTN has a market cap of \$11.44B and currently trades 36X Earnings, 6.4X Sales and 24X EBITDA with revenues expected to rise 36.5% in FY22 (next year) and EBITDA to rise 51.7%. MTN will next report in September. MTN has a very strong moat and has been transitioning to more of a subscription model, a source of future upside. Its Pass revenues have grown at a 17.8% CAGR since 2008. MTN recently announced its Chief Marketing Officer will be appointed CEO in November. Analysts have an average target of \$340 with short interest low at 2.8% of the float. BAML raised its target to \$375 in June positive on the new pricing strategy and early pass sale indications. BAML is also positive on the customer loyalty and retention efforts with MTN's enhanced data analytics and marketing strategy. BAMCO has a \$1.4B stake in MTN as its 4th largest position.

Hawk Vision:



Hawk's Perspective: MTN is a solid long-term own, the options liquidity is poor, but a potential bottoming base worth looking for as a company that should see a strong bounce-back with travel the next few years.

Confidence Ranking: \$\$

Additional Options Flow

Market/ETFs

China Internet (KWEB) buyer of 8500 January \$50 calls this morning \$3.45 to \$3.50

Nasdaq (QQQ) opening buy 1000 December \$364 calls for \$18.78 adjusting from September, also seeing 1400 March \$364 calls active

Treasury (TLT) buyer 5000 Sep. 10th (W) \$150/\$160 call spreads for \$1.96

Consumer Goods

Spectrum Brands (SPB) with 1200 September \$75/\$70 bull risk reversals opening at \$2.90 debit, has pulled back to attractive valuation levels

Elf Beauty (ELF) 1500 Feb 30/35 call spreads bought

Bath & Body Works (BBWI) bull flow continues with 6000 November \$70 calls bought up to \$4.90 to open

Peloton (PTON) rolling over seeing sweep buyers of 2500 Aug. 27th (W) \$107 puts \$4.25 to \$4.50 this morning into 8-26 earnings. **PTON** opening sellers of 975 June 2022 \$105 puts today \$19.45

Sleep Number (SNBR) spreads sell 3000 September \$75 puts \$0.30 and sell 3000 of the \$100 calls \$1.945

I-Robot (IRBT) buyer of 1970 November \$90/\$80 strangles which leans a bit bearish Delta

Edgewell Personal Care (EPC) with 2460 November \$45 calls bought \$2.95 as August positions adjust

B&G Foods (BGS) buyer 5000 September \$32.50 calls \$0.25 as August \$30 adjust

United Natural (UNFI) buyer 1000 September \$30/\$40 call spreads as August calls adjust

Consumer/Business Services

Las Vegas Sands (LVS) buyers of 5000 August 27th (W) \$38 calls for \$0.68

Match (MTCH) buyer of 1750 September \$135/\$160 call spreads with the \$115 puts sold to open

Sirius (SIRI) calls unusually active with 2500 October \$6 and 3000 September 10th (W) \$6 trading early. **SIRI** up to 22,000 calls today, 4X average as Nov/Jan \$6 call calendars also active now

Melco (MLCO) with 5000 October \$13 calls bought \$0.35

Doordash (DASH) buyer 200 February \$185 calls for \$26

Etsy (ETSY) with a nice coiled look trying to clear August OpEx upper value and 1100 October \$195 calls being bought throughout the morning \$14.70 to \$15

Hilton (HLT) seeing 15000 November \$120 calls open as October \$125 adjust

Marriott (MAR) stock replacement bought 600 January \$135 calls to open \$9.85 offer

Uber (UBER) with 4500 June 2022 \$35 puts selling \$3.60 to \$3.55 bids into weakness

Lyft (LYFT) opening sale 1000 April \$42.50 puts for \$5.40

Gap (GPS) with 10,000 next week \$25 puts sold to buy \$29/\$33 call spreads, earnings 8-26 and seeing positive read-throughs. **GPS** 6700 Sep. 24th (W) \$25 puts sold to open \$0.75 as well today, adjusting August short puts

Caesar's (CZR) moving to highs with a strong session and December \$105/\$125 call ratio spreads open 10,000X20,000 at \$1.18 debit

FarFetch (FTCH) with 2000 April 2022 \$35 puts sold to open \$4.65/\$4.60

Airbnb (ABNB) opening sale 1000 June 2022 \$115 puts for \$9.20

PVH Corp (PVH) buyer 1500 September \$110 calls for \$3.50 and sells the \$125 calls, earnings 8-31

Trip.com (TCOM) into day lows sees another 5000 January \$30/\$22 bull risk reversals open for \$0.06

Activision (ATVI) with 3000 January \$62.50 puts sold to open for \$1.16

Lithia Motors (LAD) with 500 December \$370/\$420 call spreads bought and the \$300 puts being sold 295X

Energy

Daqo (DQ) with 2500 September \$40 puts bought for \$1.20

Schlumberger (SLB) with 1,500 December \$25 puts sold to open for \$2.07

Devon Energy (DVN) opening sale 1000 April 2022 \$25 puts for \$4.50

Valero (VLO) rising after 1500 January 2023 \$50/\$25 bull put spreads opened

PBF Energy (PBF) rising strong with 5500 September \$9 calls bought \$0.30 to \$0.45

Diamondback (FANG) buyer 400 January 2023 \$70 calls \$13.80 to \$13.90

Canadian Solar (CSIQ) seeing spreads sell 1050 January 2023 \$25 puts and buy the \$32/\$60 call ratio spreads 950X1900

Apache (APA) buyer 10,000 October \$20 calls for \$0.34 as September calls adjust

Marathon Oil (MRO) with 10,000 January \$10/\$8 bull put spreads opening for \$0.63

Energy Transfer (ET) with 10,000 October \$10 short puts opening at \$1.10 as the August adjust

Occidental (OXY) with 10,000 January \$25 calls bought \$1.95 as October \$24 adjust

Darling (DAR) into weakness with 3000 September \$75 calls bought at \$1 and 3000 of the \$80 calls bought \$0.35 to \$0.40, weak today, but a preferred play on renewable fuels

Canadian Natural (CNQ) finding 200-MA support and 5000 September \$31/\$29 bull risk reversals opening this afternoon, follows the size **SU** calls

Financials

Futu (FUTU) working higher this morning with 1000 September 3rd (W) \$100 calls bought up to \$6.50 to open, earnings on 8-31

Coinbase (COIN) buyer 550 March \$270 calls \$37.90, stock replacement

Marathon Patent (MARA) strong with crypto after a large call buy yesterday and today 2000 Se. 3rd (W) \$35 calls bought \$2.17

OpenDoor (OPEN) buyers of 3000 February \$12 puts at \$1.50

Regency (REG) opening seller 1370 April 2022 \$55 puts for \$2

Zillow (Z) jumped a bit with 1000 Sep 95 calls bought \$4 to \$4.10

ICICI Bank (IBN) sale to open 2500 Jan. 2023 \$15 puts for \$1.20

Hartford (HIG) buyer 2000 October \$65 puts \$2.20 to open

Huntington Bank (HBAN) buyers 4000 September \$14 calls this afternoon \$1.02, pulled back to nice support

Blackstone (BX) stock replacement bought 700 March \$115 calls for \$7.95

Healthcare

Intra-Cellular (ITCI) buyer of 1,500 January \$35/\$50 call spreads for \$3.35, weak name lately but back to a big area of support around \$29-\$30

Humanigen (HGEN) with 2,000 September \$17.50/\$25 call spreads bought to open early for \$1.40

Immunogen (IMGN) with 2,000 September / January \$5 call calendar spreads bought this morning for \$0.92, a \$1.06B biotech trading at its lowest levels since October

Fate Therapeutics (FATE) with 500 February \$50 puts being bought \$6.46 with stock down 19%

Apellis (APLS) buyer 3000 October \$50/\$22.50 put spreads for \$12.30 into key Q3 data

Optimize RX (OPRX) strong name seeing 3000 September \$55 calls adjust to October , part of a buy-write strategy

One Medical (ONEM) seeing 750 February \$22.50 puts sell to open \$3.60 bid into these new lows

Regeneron (REGN) buyers of 350 January \$740 calls today for \$33.60 to \$35.40 into strength, shares clearing a big weekly flag above the 2020 highs

Editas Medicines (EDIT) spread this morning sells 500 September \$60 straddles for \$12 and buys the October \$70 calls for \$7.60, key data upcoming

Teleflex (TFX) quality med-tech name in a downtrend seeing 300 October \$390 calls bought to open \$11.20 to \$11.80

Zymeworks (ZYME) jumping a bit with 600 October \$35 calls opening \$3.65 in a stock replacement

Altimune (ALT) pops as 2500 October \$16 calls are bought \$1.10 offer

Celldex (CLDX) with 2000 November \$30/\$60 call spreads opening \$16.20

Teladoc (TDOC) buyer 750 November \$130 puts today \$7.60

Cassava (SAVA) with 920 October \$80 calls opening deep ITM today for \$3.5M, developing Simufilam for Alzheimer's

Biogen (BIIB) with 950 September \$345 puts sold to open for \$1.5M as August short puts adjust

Industrials

United Air (UAL) with 5000 Sep. 3rd (W) \$47 ITM puts selling to open \$3.70. **UAL** now with 5000 Oct. 1st (W) \$47 puts selling to open \$4.40

General Motors (GM) with 10,000 November \$52.50 calls sold \$1.90 in a buy-write. **GM** now a buyer of 5000 March \$57.50 calls for \$2.20

Boeing (BA) buyer 500 Sep. 24th (W) \$215 calls for \$9

Hyzon Motors (HYZN) strong out of a base to close the week and calls hot again with 7500 September \$12.50 being bought, IV30 up 26%, a significant move

Emerson (EMR) opening sale of 500 December \$100 puts for \$4.90 bid

Parker Hannifin (PH) with 2200 February \$290/\$260 bull put spreads opening into weakness

Materials

Louisiana Pacific (LPX) with 1000 September \$57.50 puts sold to open for \$2.90

Lithium America (LAC) with 3450 February \$17.5 calls bought \$3.23 spread versus the \$20 calls

Teck Resources (TECK) call buying all week into weakness, today 2000 Jan. 2023 \$20 calls are bought \$3.80 looking to add to OI

Cameco (CCJ) strong reversal today to move back above the 200-MA and 10,000 December \$20 calls are bought \$0.80 against 15,000 of the \$27 calls sold \$0.325

Alcoa (AA) buyer 800 November \$33 calls for \$7

Tech and Telecom

Fastly (FSLY) with 1300 Sept. 10th (W) \$43 calls bought \$1.47 today

Nvidia (NVDA) with 1,000 December \$210/\$245 call spreads being bought early for \$9.35 and follows the earlier November \$167.5 put sales, strong setup with a trigger over \$205 on watch for a run to new highs. **NVDA** also with 500 November \$170 calls bought \$38.25 to \$38.40

Harmonic (HLIT) unusual buy 4000 October \$12.50 calls at \$0.30 offer as it pulled back orderly to the rising 21-MA after a big surge

Snowflake (SNOW) buyer 3000 Aug. 27th (W) \$260 calls \$8.50 into earnings 8-25 with shares weak as the \$280 calls adjust down. **SNOW** also seeing 500 January \$255 calls bought for \$31.75 to \$31.85 as some positions adjust out

Unity (U) strong today after pulling back to the recent breakout level and seeing 1000 September \$130 calls bought for \$3.10

Applied Materials (AMAT) with 1600 ITM December \$135 puts selling to open for \$15.30 into weakness

Advanced Micro (AMD) opening seller 700 April 2022 \$90 puts for \$7.20. **AMD** with 14,000 Dec. \$100 puts bought for \$8.35 as the Dec. \$110 puts adjust

Trade Desk (TTD) pulled back to near a 55/200 MA cross level and seeing 900 October \$80 puts sell to open \$8 to \$7.80. **TTD** also with buyers of 625 January \$75 puts \$9.80 offer

Baidu (BIDU) stock replacement bought 2000 December \$150/\$175 call spreads to open \$6.05

Autodesk (ADSK) buyer 590 September \$330/\$280 put spreads for \$9.60 into earnings next week

Snap (SNAP) trading 14,000 Sep. \$75 calls today with size August \$71 adjusting

J-Frog (FROG) with 3000 September \$35 puts opening around \$2

Akamai (AKAM) finding support this week and seeing November spreads sell the \$110/\$105 put spreads to buy \$115/\$125 call spreads over 1000X

Palo Alto (PANW) a stop report next week on 8-23 after the close and today seeing September \$400 calls with 2700X sell to open \$5.21 and the \$330 puts bought 1350X at \$4.48, potentially protective.

Infosys (INFY) opening sale 1000 January 2023 \$20 puts \$1.30

Fastly (FSLY) large opening sale of 1800 January 2023 \$40 puts for \$11 in a stock replacement

Autodesk (ADSK) with 1000 June 2022 \$300 puts sold to open for \$23.20

Spotify (SPOT) buyer of 800 March \$190 puts at \$13.60 for over \$1.15M this afternoon into the rally

Telecom/Utility

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