



Sector Leaders

Metals

Energy

Retail

Stock Gainers

PANW 18.5%

TSP 18%

PDD 15.5%

BEKE 13%

JD 12%

OTLY 10%

Volatility Gainers

- TSP
- SLQT
- GME
- DVAX
- NVAX
- CRWD

High Call Volume

- TSP
- IGT
- TGH
- BBY
- GES
- EQT

Bullish Options

- UBER
- DAL
- LUV
- CZR
- VIAC
- PLD
- WYNN
- HZNP
- LYV
- TSM
- CRM
-

Market Review: Stocks were higher into the open after setting record highs to start the week with Chinese Tech stocks rebounding. We also continue to see an active M&A market as companies put capital to work ahead of a potentially higher rate environment. In morning data New Home Sales strongly beat expectations. Energy and Metals once again led strength while Housing, Retail and Software were also very strong. Safety groups once again were weak with Bonds, Consumer Staples, Utility and REITS while Biotech also lagged. Breadth stayed strong all session and markets continue to reach new heights ahead of the Jackson Hole catalyst later this week.

S&P Chart:



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

Options Action Trends: Bull call buys were active early in reopening/travel names like DAL, LUV, CZR, UBER, WYNN, LVS, LYV, RCL, SIX.

What's On Tap: Durable Goods Orders, EIA Data, and 5 Year Auction. Earnings from CRM, SNOW, ADSK, SPLK, ULTA, NTAP, ESTC, WSM, DKS.

Trade Tracker Portfolio Changes:

- 1) Spotlight: Long LYV October \$85 Calls \$4.50

Sector Laggards

Biotech

Utility

Bonds

Stock Losers

MCW -7.5%

NVAX -6.5%

STX -6.1%

BNTC -5.8%

RIOT -5.5%

FLGT -4%

Volatility Losers

- BMRN
- MARA
- ANF
- BBY
- RIOT
- AAP

High Put Volume

- NOV
- GDS
- TTCF
- FBRX
- AAP
- O

Bearish Options

- TTCF
- NNOX
- TSP
- FBRX
- STZ
- FSLY
- YY
- WDC
- MAR
- OSTK
- OPEN
- MMM



FEATURED OPTIONS RADAR REPORT



Bulls Position for Key Q4 Neurological Data in Struggling Biotech

Ticker/Price: NBIX (\$93.1)

Analysis:

Neurocrine Bio (NBIX) seeing bullish activity the last few sessions and on 8/23 the October \$100 calls bought to open 2500X for more than \$850K after seeing some opening sellers of 750 February \$100 puts, 500 September \$95 puts, and has 300 November \$100 synthetic long positions from 6/18 as well as 1500 OTM November \$115 calls bought in OI. NBIX shares are -19% over the past year and -4.25% YTD lagging after facing tough comps lapping a strong product launch cycle. Shares keep closing on the monthly above the VWAP from the August 2017 key flag breakout while \$99 and \$105 key upside levels for shares to break higher. NBIX is dedicated to discovering, developing and delivering life-changing treatments for people with serious, challenging and under-addressed neurological, endocrine and psychiatric disorders. Its portfolio includes FDA, approved treatments for tardive dyskinesia, Parkinson's disease, endometriosis, uterine fibroids and clinical programs in multiple therapeutic areas. Its lead product INGREZZA is currently in Phase 3 for Chorea in Huntington Disease with a likely readout catalyst in early November while Valbenazine also has multiple Phase 3 readouts later this year. NBIX has faced some weakness related to the pandemic creating bumpiness in sales with many clinical practices not yet reopened and more telemedicine being used. Revenues could reaccelerate with the company's DTC efforts underway and the resumption of practices reopening. NBIX has a market cap of \$8.5B and trades just 23.6X Earnings, 8.2X Sales and 34.1X FCF with a strong cash balance and little debt, a name that could make an attractive takeover target. Crinicerfont clinical development continues in the separate pediatric and adult indications though the next meaningful data readout will not come until 2023. Analysts have an average target of \$120 with short interest low at 4.3% of the float. Canaccord cut shares to Hold earlier this month with a lowered \$108 target waiting for new catalysts to put money to work in the name. OpCo has a \$140 target and looks forward to top-line Phase 3 results in chorea of Huntington's Disease in Q4. Hedge Fund ownership jumped 6% last quarter, DSM Capital has a 1.4% weighting.

Hawk Vision:



Hawk's Perspective: NBIX has bounced nicely off recent lows but still see a strong reward/risk at these levels and see its challenges as transitory, a name that has a long proven history of success in neurological drugs.

Confidence Ranking: \$\$



FEATURED OPTIONS RADAR REPORT



Bullish Positioning in Zinc/Copper Leader with Key Projects Ramping

Ticker/Price: TECK (\$21)

Analysis:

Teck Resources (TECK) into weakness last week saw 10,000 each of the January \$21 cans \$23 calls open for \$2M each and also on 8/20 the January 2023 \$20 calls added 2500 to OI. TECK has also seen put sales at \$20 and \$19 strikes in September and November respectively. TECK shares fell below its 200-day moving average last week but started this week retaking the level after bouncing right at the lower weekly Bollinger Band. Shares have a lot of work to do and need to clear \$23.25 for a confirmed trend and volume zone breakout but the reversal has an easy level to trade against and took place at the 50% retrace of the October 2020 low to 2021 high. TECK is a natural resources company focused on copper, zinc, steelmaking coal, and energy. TECK is a key producer of copper, one of the largest producers of mined zinc, the 2nd largest seaborne exporter of steelmaking coal and also has other interests. Steelmaking Coal is 38% of revenues & 35% of profits, Zinc is 30% and 29%, and Copper is 27% and 44% respectively. TECK has a market cap of \$11.3B and trades 4.5X EBITDA and 0.7X Book with revenues seen rising 39% in 2021 and 6-10% annually in 2022/2023 and EBITDA at 100% and 5-10% respectively. TECK has a key catalyst with QB2 expected to start operations in 2H22. Global steel demand continues to be robust, and met coal demand and prices remain elevated. Teck has seven copper growth projects outstanding at various stages of development: Zafranal and San Nicolas nearer term, QB3 and Galore Creek mid-term, and NuevaUnion, Mesaba, and Shaft Creek longer term. Management intends to make a decision on the potential sale of Zafranal in 2H21. In terms of capital allocation, management expects the first 30% of available cash flow to be returned to shareholders in the form of either a special dividend or buyback, and the remaining 70% balanced between further growth, balance sheet management or additional shareholder returns. Analysts have an average target of \$28 and short interest is low at 1.6% of the float. BAML upgraded shares to Buy in July with a \$30 target positive on rising met coal prices and the QB2 startup should dilute its met coal exposure eventually with carbon use concerns. Deutsche Bank raised to Buy in May noting QB2 can transform the portfolio with its Copper exposure and drive a FCF inflection point while seeing multiple accretive projects in the pipeline.

Hawk Vision:



Hawk's Perspective: TECK is cheap on valuation and can be re-rated higher as it shifts away from met coal, though carries plenty of execution risk with capital intensive projects. The \$19.50 level as a spot to trade against provides solid reward/risk here.

Confidence Ranking: \$\$



FEATURED OPTIONS RADAR REPORT



Call Buyers See Further Upside for Best-in-Class Mega-Cap Pharma with Exciting Pipeline

Ticker/Price: ABBV (\$119.35)

Analysis:

AbbVie (ABBV) seeing size call buyers to start the week with over 4,000 November \$130 calls and 6,000 October \$125 calls opening on 8/23 and follows over 18,000 September \$120 calls bought in mid-June the remain in open interest. ABBV has size open interest in the January and January 2023 options as well. Shares broke out above July value recently with plenty of room for upside as it clears \$120. ABBV has been in a strong trend higher since October and multi-month range measures out to \$128. The \$209.35B company trades 8.5X earnings, 3.9X sales, and 24.5X cash with a 4.35% yield. ABBV is well into the recovery from the pandemic lows and showed broad-based strength in Q2 with double-digit growth in immunology, oncology, and neuro. They continue to execute well on integration of Allergan and aesthetics a standout for the quarter. ABBV has a broad-based pipeline and noted in July that with the recent approval of Aducanumab they see a major opportunity for their own beta amyloid candidate in Alzheimer's with potentially a better safety profile than Biogen's drug. ABBV has a range of option for Alzheimer's including ALOO2, a monoclonal antibody. Near-term, ABBV is awaiting FDA action on their sNDA for rinvoq and a positive action would help uptake in the near-term and resolve a lingering headwind. Analysts have an average target for shares of \$123 with a Street High \$148. Cowen raising estimates on 8/23 as shares are attractive particularly given the long-term visibility provided by last week's successful Imbruvica patent challenge defense. The analyst also said he expects safety updates to Rinvoqs label but he views the FDAs protracted review as reassuring. Argus raising their target on 8/5 to \$140 citing valuation and noting that sales of oncology drugs and aesthetics products rose strongly in Q2 as these markets recovered from the depths of the pandemic. Short interest is 0.82%. Hedge fund ownership fell 6% last quarter. Winslow Capital a buyer of 2.375M shares.

Hawk Vision:



Hawk's Perspective: ABBV is a nice mix of solid core franchises, pipeline optionality, and valuation/yield and a move back to the 8-EMA would be a nice opportunity to position for the bigger move to \$130

Confidence Ranking: \$\$



FEATURED OPTIONS RADAR REPORT



Bulls Target Theme Park Operator Ahead of Margin Inflection

Ticker/Price: SIX (\$42.30)

Analysis:

Six Flags (SIX) another reopening play with bullish flow today as 1000 January 2023 \$47.50 calls bought for \$8.10 in a stock replacement. Today's flow follows a bullish spread that sold the December \$35 puts and bought the December \$42.50/\$47.50 call spread 2000X on 8/19. Shares rallied from the 2020 lows back to a big volume area and now basing above the 38.2% Fibonacci of the run as well as the 200-day MA. The weekly bull wedge is setting up under \$43.65 with a breakout higher targeting \$52 and then a longer-term run to \$58.50. The \$3.35B company trades 18.67X earnings, 4.3X sales, and 13X cash. SIX is coming off a strong quarter with their early Summer momentum continuing with attendance hitting 82% of their 2019 levels. The company expects 2022 to be a blockbuster Summer as season pass sales continue to accelerate and prebooked groups will return at pre-pandemic levels, making up the majority of the attendance shortfall in 2021. SIX outlined plans last year to improve operational efficiency and invest in tech and modernize the guest experience which will hit their full stride next year as well and the early returns have been promising. The company's moves to cashless food payments and QR-code driven ride passes have led to higher in-park ticket sales and average spend and should scale well with guest levels back to normal. Analysts have an average target for shares of \$52 with a Street High \$66. Wedbush upgrading to Buy on 7/26 citing a compelling combination of massive underperformance over the course of the pandemic, manageable reopening headwinds, and significant-yet-realistic margin enhancement post-pandemic opportunities. Short interest is 5.5%. Hedge fund ownership fell 2.5% last quarter. Fir Tree Capital a new position while Jericho Capital adding to their position. SIX had a sizable insider buy last week from director Arik Ruchim of 100,000 shares at \$38.07, a more than \$3.8M buy. This is the first open market buy of 2021 for the name.

Hawk Vision:



Hawk's Perspective: SIX is back at an attractive longer-term spot and the risk/reward is favorable given the upside to trends and business improvements they're executing on while the large insider buy adds confidence as well

Confidence Ranking: \$\$

Additional Options Flow

Market/ETFs

China Internet (KWEB) buyer 4000 November \$46 puts \$3 into rally

Treasury (TLT) block of 10,000 January 2023 \$110 puts sold to open for \$1.90

S&P (SPY) with 1500 December \$448 puts opening \$16.85 into new highs, also seeing 2300 March 2022 \$379 puts sell to open near \$9.23. **S&P (SPY)** large collar put on today sold 15,000 Sep. 24th (W) \$452 calls for \$3.50, and bought 10,000 of the \$430 puts for \$3.25

Oil ETF (USO) buyers of 8,000 September 3rd (W) \$47.50 puts for \$1.22 to \$1.23 into the rally back to the declining 21-EMA

Airline ETF (JETS) seeing 4250 March \$23 calls bought to open near \$2.43 today

Brazil (EWZ) deep ITM January 2023 \$30 calls with 2500 bought today \$8.30 to \$8.40

Consumer Goods

Tattooed Chef (TTCF) weak name and trading 2.5X average puts in the first 15 minutes with buyers of 5,950 October \$12.50 puts and 3,900 October \$15 puts

Peloton (PTON) with over 5,850 October \$140 calls sold to open for \$2.10 to \$2.05 this morning

Constellation (STZ) with 2385 October \$225 calls being sold to buy the \$290 puts at net credits of \$1.45

Int'l Game (IGT) buyer of 15,000 November \$21/\$26 call spreads as the \$19/\$23 call spreads adjust higher

Garmin (GRMN) IV rising since 10:30am with 1100 September \$170 calls active with buyers at \$4.10 to \$4.45, mostly small lows, but a top fundamental name that continues to hit new highs as the best play in wearable tech

Sonos (SONO) with 2850 January \$40 calls being bought \$5 to \$5.05 today against 3700 in OI, will confirm OI tomorrow. **SONO** also with 800 January \$40 puts bought \$5.30 to \$5.40 today

Campbell Soup (CPB) buyers 2000 January \$38 puts \$1.15 offer, reports in early September

Acuity (AYI) buyer of 300 February \$160 puts for \$7.30 offer

Colgate (CL) with 1000 June 2022 \$77.50 puts bought for \$5.26

Consumer/Business Services

Airbnb (ABNB) early opening sale 20,000 September \$165 calls for \$0.80

Uber (UBER) trading 10,000 December \$50/\$60 call spreads this morning after that reversal candle yesterday. **UBER** buyer 1000 November \$40 calls \$3.85 offer

Caesar's (CZR) with buyers of 3000 September \$100/\$110 call spreads

Viacom (VIAC) buyers of 3500 November \$40 calls to open \$3.55 offer, been a lot of M&A talk

Wynn (WYNN) with 1,500 January \$105 calls bought for \$7.70 in a stock replacement. **WYNN** also with 4,000 October \$105 calls bought this afternoon for \$4.26. spread with 2,500 of the \$120 calls sold for \$1.09

Las Vegas Sands (LVS) with buyers of the October \$42 calls 2000X for \$2.51 to \$2.54, adjusting some Sept. calls out into the rally

Royal Caribbean (RCL) buyer of 5,000 October \$85 calls for \$4.71, adjusting higher some \$80 calls, follows all the bullish flow in reopening names today

Overstock (OSTK) with 400 March \$80 puts bought \$18.80 offer

Live Nation (LYV) another 4400 January 2023 \$95 calls bought for \$14.40 to \$14.60 this morning. **LYV** sweep buyer 750 January \$92.50 calls at \$6.60 offer as well

Marriott (MAR) with 400 June \$145/\$120 put spreads bought today for \$11.40, adjusting some Oct. spreads out

American Eagle (AEO) with 3,500 October \$31 puts bought for \$1.48 this morning as the Sept. \$30 puts bought on 7/30 adjust out

TJX Co (TJX) IV fading as 5,000 September 24th (W) \$78 calls are sold to open this morning for \$1.10 into the strong recent move

Best Buy (BBY) with a buyer of the November \$125/\$145 call spread into the highs of the day, paying \$4.35 over 4300X

Big Lots (BIG) buyer of the September \$57.50/\$62.50 call spread 1000X2000 into earnings on 8-27, although weak history lower in three of the last four

Vroom (VRM) with 1,000 April \$32.50 calls sold for \$2.95 in a buy-write

New Oriental (EDU) over 6,000 April \$3.50 calls bought this afternoon for \$0.50

Six Flags (SIX) now also with 1,500 March \$40 puts bought for \$5.30, tied to stock. **SIX** now also with 5,000 October \$40/\$30 put spreads bought for \$1.80

Unity (U) sale to open of 500 November \$115 puts at \$7.50

Carvana (CVNA) with 600 December \$310 puts sold to open \$18.75

Lyft (LYFT) buyer of 500 April \$45 puts for \$5.75 to \$5.80 this afternoon

Energy

Chevron (CVX) seeing 2,350 September \$99 calls active with buyers in the early action

Lyondell (LYB) buyer 2500 March \$120 calls \$2.85 to open in a stock replacement

Canadian Solar (CSIQ) more volume now and the January 2023 \$25 puts being sold 1000X to buy the \$37/\$60 call spread 1000X2000

Conoco Phillips (COP) with buyers of the January 2023 \$55/\$70 call spread this afternoon 1400X2800 for \$1.15 debit

Hess Corp (HES) with 400 February \$62.5 puts sold to open this afternoon down to \$5.20

Financials

ProLogis (PLD) with 1000 January 2023 \$135/\$125 bull risk reversals being bought this morning for a \$0.30 net credit, strong trend and back at its rising 21-EMA today

Kilroy (KRC) buyer of 640 February \$60 calls for \$6.95, adjusting some Nov. calls bought in April

OpenDoor (OPEN) buyers of 1800 February \$16 puts \$2.75 offer as flows stay pretty bearish the name

MFA Financial (MFA) long flag breakout and buyers here 7500 September \$4.50 calls at \$0.35 offer, a \$2B mortgage REIT

Affirm (AFRM) buyers of 500 November \$85 calls for \$4 to open this afternoon

Healthcare

BioNTech (BNTX) with 1,000 October \$450 calls sold to open this morning for \$15.70 to \$14.30

Nano X (NNOX) buyers of 3000 November \$25 puts \$5.70 to open

ThermoFisher (TMO) with 870 December \$580/\$500 bull risk reversals bought today for \$6.20, strong name that is forming a small flag above its 8-EMA

Horizon (HZNP) buyers of 440 November \$115 calls at \$6.70 offer as well as 1000 more October \$115 calls at \$4 offer

DexCom (DXCM) with 175 December \$400 calls bought this morning early from \$120.75 to \$121.40, more than \$2M in the strong name that is flagging nicely above its rising 21-EMA after earnings

STAAR Surgical (STAA) with over 1,000 October \$105 puts sold to open for \$1.10 today

Aurinia Pharma (AUPH) with 1500 January \$11 puts sold to open \$1.60

CRISPR (CRSP) with 1000 Sep. 3rd (W) \$127 calls opening \$7.33 as Aug. 27th (W) \$126 adjust out

AbbVie (ABBV) with 500 January 2023 \$125 puts sold to open today for \$20.10, follows the October and November call buys yesterday

Amedisys (AMED) with 500 September \$180 calls bought here for \$6.70 to \$7.90 to open into recent weakness, shares have traded back to 2020 VPOC

LivaNova (LIVN) with 400 December \$85 calls opening for \$7.30 today as some Sept. positions adjust, nice flag forming under \$90

Danaher (DHR) with 950 March \$400 calls bought \$3.40 offer this afternoon, tight flag under new highs for the high quality name

Industrials

Allegiant (ALGT) buyer of 500 September \$185 calls for \$7.30, shares trying to form a double-bottom near recent lows

Delta (DAL) with 10,000 October \$44 calls bought early from \$1.17 to \$1.25

Southwest (LUV) with over 7,000 October \$55 calls bought for \$0.92 today, similar to **DAL**

Textainer Group (TGH) with 1000 October \$30 calls bought \$4.30 to open

Nio (NIO) with over 5,750 September 2022 \$30 puts sold to open this morning for \$4.95 to \$4.90

Expeditors (EXPD) sinks to day lows as unusual 450 February \$115 puts bought aggressively at \$4.70 offer to open

Honeywell (HON) buyer of 1000 December \$210 puts for \$4.45, tied to stock

3M Co (MMM) with 2,500 October \$190/\$175 put spreads opening this afternoon for \$2.47

3-D Systems (DDD) highs of the day with 4500 September 3rd (W) \$33 calls bought for \$0.45 to \$0.50

Boeing (BA) opening buy of 800 March 2022 \$225 calls for \$22.95

Materials

Cameco (CCJ) stock replacement buys 10,000 December \$21 calls for \$0.84 and sells the \$28 calls for \$0.32, 15,000X

Arcelor Mittal (MT) with 5,000 October \$40 calls sold to buy the \$30 puts for a small net debit

Barrick (GOLD) opening sale 1200 June 2022 \$18 ITM calls for \$3.20

Air Products (APD) with 400 January 2023 \$270 calls bought for \$26 in a stock replacement today

FerroGlobe (GSM) with 6,000 March \$5 puts sold to open for \$0.75 with shares near a range breakout

Tech and Telecom

Taiwan Semi (TSM) buyer 2500 September \$119 calls for \$0.67. **TSM** also with 1,700 November \$100 ITM calls bought for \$14.45 to \$14.65. **TSM** also with 1,500 November \$105 calls bought \$10.35 and earlier \$10.70

Rockley Photonics (RKLY) unusual 3000 March \$5 ITM calls opening \$3.10 to \$3.20 this morning, a UK-based \$440M provider of silicon photonics

Intel (INTC) buyer 20,000 September \$56.5/\$60 call spreads at \$0.22, may be adjusting back

Fastly (FSLY) with 2000 October \$45 calls selling to open \$3.40 bid into strength. **FSLY** buyer of 1000 Dec. \$45 calls this afternoon \$5.72 to \$5.82

Service Now (NOW) buyers of 250 January \$620 calls up to \$53 this morning into the recent highs

ST Micro (STM) opening seller 600 April 2022 \$40 puts \$4.10 bid

Ceridian HCM (CDAY) buyers this morning of more than 1000 September \$110 calls for \$3.20 to \$3.40 to open, breaking out of a small flag

Western Digital (WDC) seeing 5000 October \$70/\$80 call spreads bought here

Micron (MU) today with 1000 November \$65 ITM calls bought for \$9.10 to \$9.20 into recent weakness

Salesforce (CRM) with 2,000 September \$265 calls opening for \$7.87 as the \$260 calls adjust higher

Facebook (FB) with 2500 June 2023 \$700 calls sold \$5.57 as part of a buy-write that adjusts the January 2023 \$700 calls, giving it more time to run

Olo (OLO) with over 1800 September \$40 puts bought up to \$3.90 to open, tied to stock

NXP Semi (NXPI) with 600 January 2023 \$280/\$320 call spreads bought for \$6.20. **NXP Semi (NXPI)** with 1000 October \$230 calls bought today \$3.50, great weekly consolidation set-up and likely sees some positive tailwinds as Auto chip supply chain issues start improving

CheckPoint Software (CHKP) buyers of 1550 September \$130 calls for \$1.40 to open here, nearing a flag breakout after the strong PANW report

Microchip (MCHP) with near 1000 October \$145/\$135 put spreads opening this afternoon for \$2.65

Dell (DELL) reports 8-26 and this afternoon seeing spreads buy 2950 September \$105 calls while selling the \$97.5 and \$95 puts 2000X each

Trimble (TRMB) been a great own and 550 February \$95 calls with buyers today near \$6.90

Snap (SNAP) with 4000 June 2022 \$70 puts opening \$10.89 as the January adjust

Telecom/Utility

Duke Energy (DUK) IV rising here with buyers of 4000 October \$110 calls up to \$1, was being pursued by **NEE**

Ameren (AEE) buy-write sells 3500 Dec. \$95 calls \$0.60

Disclaimer:

Not Investment Advice or Recommendation

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