



**Sector Leaders**

Tech

Healthcare

Discretionary

Stock Gainers

- RXT 11.3%
- TSLA 10.5%
- SDC 9%
- QDEL 7.85%
- ALXN 7.5%
- AMD 7.35%
- IMMU 6.6%

Volatility Gainers

- WLL
- GME
- EVFM
- JAMF
- VRNT
- ACM
- TLRV

High Call Volume

- ACM
- LBTK
- CALX
- HRL
- RXT
- MIK
- LI
- ALXN

Bullish Options

- RTX
- SNAP
- FB
- GOOG
- ACM
- CL
- TCOM
- PINS

**Market Review:** Global markets kicked off the week on a strong note after a light weekend for news. China PMI came in mixed but services a standout as the recovery continues. Washington remains in stalemate over stimulus without much progress between the two sides on a deal coming out of the recess. Joe Biden's lead over Trump in recent national polls continues to narrow as the two sides hit the road this week to campaign. A quiet overall day. Biotech is hot in early trading after two more smaller M&A deals this morning involving AIMT and AKCA. Tech continues to grind higher ahead of some notable earnings this week from growth names like ZM, DOCU, CRWD, and AVGO. Apple (AAPL) and Tesla (TSLA) split this morning and both traded strong (up 4.5% and up 10% respectively) prompting speculation of more splits in the space. The S&P opened flat and traded down to last week's VPOC around 3,492.50 before bouncing. Otherwise, a flat day without much momentum around 3,505. Cumulative TICK was weak all day.

**S&P Chart:**



Resistance	Support
3,440	3,350
3,520	3,300
3,537	3,200

**Options Action Trends:** Large-cap tech saw more sizable positioning with big call spreads in **CRM**, **NFLX**, **FB**, and **AMZN**. There were opening put sales in October for both **PAAS** and **WPM**

**What's On Tap:** Mnuchin on Capitol Hill, Manufacturing PMI, Construction Spending, ISM Manufacturing, API Inventories, earnings from **HOM**, **CAL**, **HRB**, **SCVL**, analyst event from Siemens and NVDA special event (GeForce)

**Trade Tracker Portfolio Changes:**

- 1) None

**Sector Laggards**

Energy

Financials

Industrials

Stock Losers

- BIGC -9.9%
- OSTK -9.5%
- XPEV -9.25%
- CWH -7.5%
- HFC -7%
- WYND -6.5%
- CPRI -5.5%

Volatility Losers

- RST
- CLVS
- AIMT
- AKCA
- BHC
- AVDL
- BCRV

High Put Volume

- FIZZ
- AIMT
- MDP
- BLDR
- UIS
- EAT
- FIVE
- YNDX

Bearish Options

- PPL
- FIZZ
- GFI
- PEN
- IRTC
- ASML
- EDU
- BYD



## FEATURED OPTIONS RADAR REPORT



### Apache Bulls Continue to Build After Historic Discovery

Ticker/Price: APA \$15.05

#### Analysis:

**Apache (APA)** with 10,000 January \$20 calls bought on Friday up to \$1.30 to open and follows buyers in the October \$15 calls over 6,000X and the October \$22.50 calls over 3,000X with sellers of the January 2022 \$10 puts recently over 3,000X. APA has been basing since early June in a weekly bull wedge under the 200-day MA and pulling back last week to cloud support and the 50-day. MACD is starting to turn and RSI is improving back above 50, ready to run with upside through \$16.75 to \$25 and a gap fill from February. The \$5.51B company trades 1.07X sales and 41X cash with strong FCF. APA expects to return to profitability in FY22 and sees topline growth around 10%+ in both FY21 and FY22. APA made a major discovery in April offshore of South American country Suriname, a central area to the company's efforts to diversify away from the Permian. The company said this was the best well drilled to date and comes just across from the recent Exxon discovery in Guyana that had 8 billion barrels. APA is focused on debt-reduction and prioritizing investments for long-term returns. Analysts have an average target for shares of \$17. Evercore ISI upgrading to Outperform on 8/26 citing upside from Suriname, the company's recent world scale discovery. Apache can maintain and lengthen its valuation gap over peers as the company works toward development over the next 12 to 24 months and APA should pursue a multi-rig blend of appraisal and exploratory work that will make for more frequent updates on asset quality and resource potential. Stifel upgrading to Buy in July as Suriname is emerging as world-class resource with company-making potential with the recent discovery the greatest net pay and highest quality reservoir of the three. JP Morgan upgrading to Overweight on 7/23 as they think Apache would be a beneficiary if a moratorium on federal acreage occurs given the company's international footprint in the North Sea and Egypt. Short interest is 3.5% and down from around 13% in May. Hedge fund ownership rose 10% in Q2. Sir Capital and Point72 both adding over 1.35M shares. APA saw a lot of insider buying in 2019 from four different individuals between \$21.75 and \$30. In April 2020, the GC bought \$187K in stock at \$5.69.

#### Hawk Vision:



**Hawk's Perspective:** Energy has been a difficult space to invest in 2020 but I like **APA's** story and optionality with this discovery

**Confidence Ranking:** \$\$



## FEATURED OPTIONS RADAR REPORT



### Size Call Buyer in Former M&A Target Aecom

Ticker/Price: ACM \$39.66

#### Analysis:

**Aecom (ACM)** with an aggressive buyer of 10,000 December \$45 calls for \$1.65 to open, name that doesn't carry a lot of notable open interest. Shares are starting to work out of a narrow range after basing above cloud support and its key short-term moving averages with a low-volume gap above out to \$44. ACM is working just above 5-year value and traded up as high as \$50 in early 2020. The \$6.23B company trades 15.4X earnings, 0.42X sales, and 16.95X FCF with mid-teens EPS growth. ACM provides engineering and planning services for building infrastructure assets across transportation, facilities, environmental, energy, and water markets. They reported a record contracted backlog in July giving them strong visibility into 2021 and beyond while they have optionality from further infrastructure spending and proposals as the FAST Act expires in September. Outside of the US they continue to gain share with growth in the UK and EMEA. ACM was reportedly in talks to be acquired by WSP Global in March but talks fell apart. However, in June, Citi noted that WSP had done \$500M in share offerings to support general corporate initiatives and fund potential acquisitions, which is an indication they could be back looking for deals sooner than thought. They continue to believe a deal makes sense given the strategic rationale and potential synergies of combining these two businesses. Short interest is 1.5% and down at 6-year lows. Hedge fund ownership rose 22% in Q2. Blue Harbour adding a new 1.1M share position. Hawk Ridge also adding a new position. Insiders active in the last year, as well, with the CFO buying \$250K in stock in May at \$30.00 and a director adding \$8.5M in November at \$42.50. Analysts have an average target for shares of \$46.

#### Hawk Vision:



**Hawk's Perspective:** ACM is an interesting name with two clear catalysts on the radar and think it can be traded against the recent lows for a nice risk/reward

**Confidence Ranking:** \$\$

# ***Additional Options Flow***

## **Market/ETFs**

**Transports (IYT)** buyer of 2,500 September \$197/\$185 put spreads for \$3.00

**Russell Value (IWD)** spread buys 4,161 December \$133.75 calls for \$1.40 and sells the \$110 puts 1,660X for \$3.60 to \$3.50

**Emerging Markets (EEM)** buyer of 10,000 December \$45 calls for \$2.13

**Gold (GLD)** buyers of 4,000 November \$176 puts for \$3.75. **GLD** the November \$188/\$180 put spread also bought 1,500X

**Software (IGV)** with 3,500 January 2022 \$370 calls sold for \$22.70 to open. **IGV** with 4,000 December \$330 calls sold for \$22.15

**Russell 2000 (IWM)** the October \$149/\$134 put spread being bought 9500X for \$2.50

**Nasdaq (QQQ)** with a buyer of 3,000 September 30th (Q) \$280/\$250 put spreads bought for \$4.00 and also 3,000 September 30th (Q) \$269 puts bought \$3.65. **QQQ** also with another 40,000 March \$255 puts bought for \$14.51

**S&P (SPY)** with 90,000 January \$310/\$280 put spreads bought for \$4.39 and earlier 21,000 September 25th (W) \$343/\$325 put spreads bought for \$2.71

## **Consumer Discretionary/Services**

**Michael's (MIK)** more bull flows today as 2,800 September \$15 calls bought up to \$0.55 ahead of earnings on 9-3

**TJX Co (TJX)** also with another 7500 October \$60 calls bought \$1.15 to \$1.30

**Everi (EVRI)** small-cap setting up just below its 200-MA and today 2,000 October \$7.50 puts sold to open around \$0.75 to \$0.70

**Tempur Sealy (TPX)** with the October \$77.50 puts sold to buy the \$90/\$100 call spread 1,250X for a net \$0.20

**Children's Place (PLCE)** buyers of the October \$25 calls for \$1.40 to \$1.45, 1000X

**New Oriental (EDU)** buyers of 1,300 September \$140 puts for \$2.90 to open today

**Wayfair (W)** with the September \$340/\$240 strangle sold for \$9, 1000X

**Yum China (YUMC)** with 1,000 April \$65 calls bought \$4.00 today, stock replacement with shares strong with their Hong Kong listing

**Brinker (EAT)** buyer of the September \$44/\$38 put spread 2,750X for \$2.05

## **Consumer Goods**

**National Beverages (FIZZ)** with 3,000 December \$90 puts bought for \$17.10 to open as the \$75 puts adjust back into strength. **FIZZ** also 5,000 October \$70 puts closing and rolling into those December \$90 puts that are at 8000X on the day

**Colgate (CL)** with 1,000 February \$80 calls opening \$3.80, adjusting the November \$72.50 calls

## **Energy**

**Occidental (OXY)** with 6,667 November \$14 calls bought for \$1.18, some November \$16/\$20 call spreads adjusting back

**Sun Run (RUN)** opening seller of 1,000 June 2021 \$45 puts for \$8.40 to \$8.10 today

**Conoco (COP)** buyers this afternoon of 1,000 October \$39 ITM puts for \$3.10 to \$3.20

**Cheniere (LNG)** with 6,875 September 25th (W) \$56 calls sold for \$0.75

## Financials

**AG Mortgage (MITT)** buyer of 5,000 June \$4/\$2 bull risk reversals bought into the morning lows for \$0.15 debit

**Rocket Co (RKT)** with 1,000 October \$23 calls bought today between \$7.70 and \$8.30, shares flagging after a strong run and near-daily bull flows

**PayPal (PYPL)** seller today of 700 November \$185 puts for \$8.85, stock replacement. **PYPL** also with 900 ITM March \$190 calls bought \$30.85 in a stock replacement, \$2.78M

**AmEx (AXP)** with 660 April \$100 puts sold to open for \$10.40 in stock replacements

**Bank of America (BAC)** with 5,000 January \$24 puts bought for \$1.76 with stock

## Healthcare

**Evolent Health (EVH)** buyer of the December \$15 calls for \$1.80, 1300X

**AstraZeneca (AZN)** with 1,000 April \$65 calls sold to open into strength today for \$2.75

**I-Rhythm (IRTC)** opening seller of 835 October \$250 calls from \$7.40 to \$6.50

**Quidel (QDEL)** buyer today of 475 December \$200 calls from \$21 to \$25.10, more than \$1M, held the 200-MA last week into weakness. **QDEL** also with 500 October \$200 calls bought \$13.80 to \$15

**Alexion (ALXN)** opening seller of 550 January 2022 \$85 puts for \$7.80

**Amgen (AMGN)** the January \$235 calls bought 350X for \$28.13, adjusting some October calls up and out into strength

## Industrials

**Southwest (LUV)** buyers of the September 25th (W) \$38 calls for \$2.50 to \$2.55, over 1500X

**DR Horton (DHI)** buyers of 1,500 October \$72.50 calls for \$3.65 to \$3.75 into the shallow dip

**Nio (NIO)** buyer of 3,000 September \$24 calls up to \$0.90 today with shares rebounding from the early lows following their offering

**Aecom (ACM)** also with 3,000 September \$40 calls bought up to \$1.60

**Novavax (NVAX)** with 500 December \$100/\$120 call spreads bought for \$7.20. **NVAX** also with 1,000 October \$185 calls sold to open today for \$5.30 to \$5.10

## Materials

**Wheaton Metals (WPM)** with 1,750 October \$50 puts sold to open \$2.00 to \$1.90

**Pan American (PAAS)** earlier sale of 3,000 October \$30 puts for \$0.85, similar to **WPM**

## Tech and Telecom

**Applied Materials (AMAT)** buyer of the September \$61/\$56 put spread 1600X for \$1.25

**Zoom Video (ZM)** with 1,000 March 2021 \$380 calls bought \$35 to \$35.20 to open today ahead of earnings,

**Match Group (MTCH)** with 6,900 September \$100 puts sold to open down to \$0.88, nice gap higher on earnings recently that has pulled back

**Advanced Micro (AMD)** with 1,000 October 2nd (W) \$85 calls bought \$7.20 to \$7.40, some weekly calls adjusting out

**IQIYI (IQ)** also with 10,000 September \$24 calls bought today with the stock ramping, call buyers active on Friday too

**Intel (INTC)** the September \$54 calls being bought 11,000X around \$0.54. **INTC** also with 1,000 February \$45 ITM calls bought for \$8.60

**Verint (VRNT)** buyers of 1,750 September \$45 calls for \$3.70 to \$4.50, still has 3,000 December \$45/\$55 call spreads in OI

**Microsoft (MSFT)** spread today sells the January \$265 calls to buy the \$215/\$180 put spread for a net \$2.75, 3600X

**Comcast (CMCSA)** buyer of the June \$45 puts today 1275X for \$4.85, tied to long stock

**Adobe Systems (ADBE)** early sellers of 1,000 September \$445 puts for \$3.60 down to \$3.25; **ADBE** also with 1,500 September \$435 puts sold for \$2.14 to \$2.01

**Apple (AAPL)** with 4,325 June 2022 ITM \$95 calls being bought today up to \$44.80. **AAPL** the December \$135 calls bought 10,000X for \$10.75 in stock replacement. **AAPL** with 4,000 October \$132.50 calls bought for \$8.35

**ASML** with 500 January \$350 puts bought today between \$21.50 and \$22.10

**Sea Ltd (SE)** with 350 February \$135 puts sold to open this morning for \$16

**Amazon (AMZN)** buyer of 1,100 January \$3465/\$4100 call spreads for \$226, the December \$3470/\$4100 call spread 1,100X for \$219, and 1,300 November \$3500/\$4100 call spreads for \$197, around \$75M total in premium paid again

**Salesforce (CRM)** buyer of 13,000 January \$270/\$320 call spreads for \$17.10

**Pinterest (PINS)** buyer of 10,000 December \$32 calls for \$7.70, strong setup to start the week. **PINS** also with 1,200 December \$32 puts sold to open for \$3.30

**Tyler Tech (TYL)** the September \$340 calls bought 650X today up to \$10.60, some being spread with the \$350 calls as shares base above the 200-day

**HP (HPQ)** with 2,000 January 2022 \$20 puts sold to open today around \$3.75

**Facebook (FB)** buyer of the December \$290/\$350 call spread for \$21.60, 11700X

**Slack (WORK)** session highs, the September \$37 calls being bought over 4,000X today from \$1.33 to \$1.45

**OneSpan (OSPN)** with 1,750 March \$17.50 puts sold to open today from \$2.05 to \$1.90, gap down recently to the 200-day

**Trip.com (TCOM)** with 1,500 October \$32 calls bought for \$1.55

**JD.com (JD)** with 800 January 2022 \$75 puts sold to open today for \$14.10 in stock replacements

**Google (GOOG)** now with 2,300 December \$1640/\$1960 call spreads bought for \$109.50

**Alibaba (BABA)** with over 6,000 December \$285 calls bought up to \$30.50

**Snap (SNAP)** IV rising this afternoon with 10,000 October \$23 calls bought to open for \$1.65

**Netflix (NFLX)** the December \$520/\$620 call spread bought 7100X today for \$37.50. **NFLX** also seeing some deep ITM September \$400 and \$410 calls bought on 6/9 close 3,000 and 2,000 and adjust out to buy the December \$400 and \$410 calls for \$43M and \$27M respectively

#### Utility

**PPL Corp (PPL)** opening sellers of 3,500 January \$28 calls down to \$1.30

**Disclaimer:**

**Not Investment Advice or Recommendation**

*Any descriptions "to buy", "to sell", "long", "short" or any other trade related terminology should not be seen as a recommendation. The Author may or may not take positions in any of the names mentioned, and is not obligated to disclose positions, nor position sizes.*

Content is for informational and educational purposes only. You alone will need to evaluate the merits and risks associated with the use of this content. Decisions based on information provided are your sole responsibility, and before making any decision on the basis of this information, you should consider (with or without the assistance of a financial and/or securities adviser) whether the information is appropriate in light of your particular investment needs, objectives and financial circumstances. Investors should seek financial advice regarding the suitability of investing in any securities or following any investment strategies.

No reference to any specific security constitutes a recommendation to buy, sell or hold that security or any other security. Nothing constitutes investment advice or offers any opinion with respect to the suitability of any security, and the views expressed on this website should not be taken as advice to buy, sell or hold any security. In preparing the information contained in this website, we have not taken into account the investment needs, objectives and financial circumstances of any particular investor. This information has no regard to the specific investment objectives, financial situation and particular needs of any specific recipient of this information and investments discussed may not be suitable for all investors.