



Sector Leaders

Semi's

Metals

Solar

Stock Gainers

AFRM 28%

PTON 8.4%

OTLY 7.7%

PWSC 7.75%

DOCN 6.5%

QDEL 5.1%

AMC 5.1%

Volatility Gainers

- DKS
- CCXI
- HXL
- WWE
- HCC
- VIR

High Call Volume

- HCC
- TCOM
- IWN
- BAX
- WWE
- FIVN

Bullish Options

- GM
- BBWI
- AFRM
- TECK
- CCJ
- WFC
- PTON
- DOCN
- C
- GD
- FCX

Market Review: Stocks rebounded strong off overnight lows with US/China relations in focus following a Biden/Xi call. The August PPI numbers came in right near expectations and did little to change markets early. Stocks rolled over under 4500 early and then took out the overnight lows with some selling pressure, some strength in Semiconductors, Metals, Housing & Solar. Utility, Retail and Banks were weak while Bonds rolled over. There was a lot of strength under the surface into morning weakness, a notable divergence and this played out higher into the early afternoon before then slipping into the final hour. We saw markets move lower most of this week but still above trend support, momentum has waned, and sets up for a decisive OpEx week, one that is pretty light in other catalysts.

S&P Chart:



Resistance	Support
4,555	4,515
4,600	4,475
4,750	4,400

Options Action Trends: We saw a good mix of flows today with a strong demand for calls in size across a wide variety of names, no major sector trends on the day.

What's On Tap: The coming week will be September options expiration with a very slow earnings schedule, just **Oracle (ORCL)** of note. Economic data is also fairly slow with some inflation numbers early in the week and Retail Sales, Philly Fed and Consumer Sentiment later in the week. Conference season is in full swing with potential earnings warnings coming.

Trade Tracker Portfolio Changes:

- 1) Spotlight: Long **ABNB** October \$165 Calls \$5 – No Fill
- 2) Closed **SBUX** Calls \$5 (Opened \$2.85)

Sector Laggards

Utility

Bonds

Retail

Stock Losers

APLS -49%

RKLB -12.5%

MRVI -10%

TDC -10%

KR -8.7%

COOK -7.3%

ACI -7.25%

Volatility Losers

- JKS
- IRNT
- TTCF
- EDIT
- UAA
- CANO

High Put Volume

- INDA
- BRKS
- EXC
- FOUR
- BG
- WMB

Bearish Options

- RKLB
- MU
- AOUT
- KR
- BAC
- TSP
- CTSH
- FIS
- LOW
- CRM



FEATURED OPTIONS RADAR REPORT



Bulls Willing to Own Large Cap Healthcare Company with Upside to Growth Estimates

Ticker/Price: ABT (\$128)

Analysis:

Abbott Labs (ABT) large trade on 9/9 sold 2500 January \$125 puts to open for \$5.60 in a stock replacement, not expecting much downside through year-end. ABT has also seen buyers of 2750 June 2022 \$110 calls from back in May and has 4700 January \$130 calls bought in OI from February trades. ABT shares are back near new highs after correcting from February to June and always a high-quality own with the 138.2% Fibonacci extension target up to \$137.50. ABT held a retest of its early 2021 breakout into the weakness and key volume zone and the uptrend remains firmly intact. ABT is a large healthcare products company reporting in four segments: Established Pharmaceutical Products, Diagnostic Products, Nutritional Products, and Medical Devices. ABT has a market cap of \$228B and trades 27.7X Earnings, 5.7X Sales and 39.6X FCF with a 1.4% dividend yield and forecasts of 15% revenue growth and 21% EBITDA growth in 2021 before facing tough comps in 2022. ABT sold off earlier this year as COVID testing volumes fell sharply Y/Y though Med-tech is seeing stronger trends. ABT's COVID tests recently had to be limited in sales by CVS due to strong demand so it could see a resurgence there. ABT's Diabetes unit has been the standout with a 30% CAGR the last two years. Analysts have an average target of \$132 with short interest minimal at 0.7% of the float. BTIG recently raised its target to \$136 positive on the long-term growth profile and recent study results of its FDA-approved Amulet Left Atrial Appendage Occluder, Barclays noted that device could be a needle-mover with a \$10B+ addressable market seeing it driving strong forward growth. Cowen raised its target to \$140 on 8/23. Hedge Fund ownership fell 2.4% last quarter, Polen and Sustainable Growth notable concentrated holders.

Hawk Vision:



Hawk's Perspective: ABT recently broke a small flag and could come back to retest near \$126 as an ideal spot, remains a top name in Healthcare for large-caps.

Confidence Ranking: \$\$



FEATURED OPTIONS RADAR REPORT



Large Call Buy in Large Cap Pharma with 2H21 Catalysts

Ticker/Price: SNY (\$49)

Analysis:

Sanofi (SNY) with an interesting trade on 9/9 as 5000 January \$50 calls bought the recent weakness at \$2.40, an unusually large trade for the name. SNY is lacking any other notable open interest. SNY shares have pulled back to a prior breakout level from earlier in 2021 and also touched VWAP off the March 2020 lows this week, so at a potential critical support with shares also near a 61.8% retracement of the 2021 range. Sanofi sold off this week as its Phase 3 PEGASUS trial for rilzabrutinib to treat pemphigus, a rare autoimmune skin condition, did not meet its primary or key secondary endpoints. Sanofi has also been active with M&A announcing \$1.9B deal for Kadmon (KDMN) this week which follows its early August buy of Translate Bio (TBIO) for \$3.2B. Sanofi is a leading global healthcare company, focused on patient needs and engaged in the research, development, manufacture and marketing of therapeutic solutions. It has exposure to Multiple Sclerosis / Neurology, Oncology, Rare Diseases, Rare Blood Disorders, Cardiovascular, Diabetes, Established Prescription Products, Consumer Healthcare, and Vaccines. Sanofi held a Capital Markets day earlier this year outlining its commercial opportunities and margin expansion. SNY's main catalyst is likely the Phase 3 AMEERA-3 study in metastatic breast cancer which is expected to read out in 2H21. Specialty Care is expected to grow in 2H21 with Dupixet being the key growth driver. General Medicines core assets are also expected to grow although Lovenox growth is expected to slow in 2H21. Sanofi expects another record year of flu vaccine sales and the WSJ highlighted a likely bad flu season in 2021. Sanofi is optimistic about the potential for their oral BTK inhibitor acquired from Principia, rilzabrutinib, for which Phase 3 data in pemphigus vulgaris will be available in 2H21. SNY will also have a COVID vaccine readout in Q4 2021. The \$127B Pharma currently trades 11.4X Earnings and 2.84X Sales with a 3.85% yield. SNY earnings are expected to grow 10-12% in 2021 and 2022 with 4-5% top-line growth. Analysts have an average target of \$63 and short interest at 0.2% of the float is minimal. JPM and UBS have EUR100 targets on shares. Goldman rates shares a Buy with a EUR113 target noting solid base business execution with plenty of upside drivers from the pipeline and margin expansion.

Hawk Vision:



Hawk's Perspective: SNY is oversold and looks like a solid value at these levels considering the upside drivers into year-end, though want to see some basing and price strength.

Confidence Ranking: \$\$

Additional Options Flow

Market/ETFs

Healthcare (XLV) buyer 1500 January \$134.33 calls for \$4.45 offer

Natural Gas (UNG) with 2500 January \$17 puts sold to open \$2.82

Consumer Discretionary (XLY) buyer of 2400 January \$175/\$145 put spreads for \$3.95 this morning

Consumer Staples (XLP) buyer of 7500 January \$69/\$65 put spreads at \$1.35

Utility (XLU) with 10,000 January \$65 puts bought spread versus \$57 puts at \$1.18

India ETF (INDA) with 5000 June \$49 puts opened \$3.50 versus stock

MSCI EAFE (EFA) buyer 7000 March \$82/\$75 put spreads for \$2.04

Emerging Markets (EEM) buyer 10,000 September 2022 \$55 calls today \$3.35 to \$3.40

Russell (IWM) November \$210/\$195 put spreads bought 15,000X today with September adjustments

Nasdaq (QQQ) buyers active in December \$345 puts this morning with 19,000X trading for over \$13M. QQQ also an opening seller 2500 March \$420 calls \$6.08 today.

S&P (SPY) stock replacement bought 3000 February \$450 calls \$18.33, while another trade bought 1800 March \$426 puts to open \$17.23 offer

Energy (XLE) stock replacement bought 7000 deep ITM June 2022 \$42 calls for \$7.50

Consumer Goods

Peloton (PTON) highs as market dips seeing 1200 Dec. \$120 calls bought \$10.53 to \$10.75. **PTON** opening sale 1000 November \$100 puts \$5.63

Tempur Pedic (TPX) quality name up at new highs with spreads selling January 2023 \$35 puts to buy the \$55/\$65 call spreads 5000X. **TPX** also 2300 Oct. \$50 calls bought \$0.95 offer

Columbia (COLM) with 1300 October \$110 calls bought today after an unusual call buy yesterday, basing along its rising 200-MA nicely

Hasbro (HAS) opening seller 1400 October \$95 puts \$1.20 to \$1.15

Anheuser Busch (BUD) stock replacement bought 600 March \$60 calls \$3.70

Consumer/Business Services

Bed Bath (BBWI) with 2500 October \$65 calls opening \$3.40 early as September adjust, name with size bullish OI and working on a small base

Trip.com (TCOM) into day lows with 10,000 January \$33/\$40 call spreads opening \$1.90 as the \$30 calls close

Tencent Music (TME) opening sale 2000 June \$8 puts for \$1.30

Gap (GPS) with 1500 March \$24 puts sold to open \$3.10, bullish flow into weakness all week

Altice (ATUS) buyer 1500 June 2023 \$25 ITM calls for \$6.20 into multi-month lows

Discovery (DISCK) jumped after an opening sale 2500 March \$22.50 puts \$1.60

Travel & Leisure (TNL) block of 5000 January 2023 \$60 calls bought for \$7.60 this morning looking to add to the 5000 already bought in OI, raised guidance and running hard today

Lowe's (LOW) buyer 1000 January \$185 puts for \$5.25

Fetch (FTCH) jumps with 3500 Oct. \$45 calls bought \$1.41 offer

Park Hotels (PK) with 2000 January 2023 \$22.50 calls sold \$2.20 as September short calls adjust

Energy

Williams (WMB) sweep buyers 1500 February \$23 puts \$1.15 to \$1.20

Chevron (CVX) with 2500 October \$92.5 puts sold to open \$1.67. **CVX** also with 2000 January 2023 \$105 calls bought today \$6.30 to \$6.40, a new activist play

Cabot (COG) jumps with October \$19 seeing more calls bought

Plug Power (PLUG) large opening sale of 5000 June \$20 puts \$2.70 showing some faith in the longer-term story

Financials

Affirm (AFRM) with 2200 October \$110 calls opening for \$1.9M as September adjust bull bets. **AFRM** now a \$7M Nov. \$110 call position opens bought \$13.70 to \$13.90

Wells Fargo (WFC) buyers of 3500 April \$47.50 calls \$3.10 offer early after its fine was not as bad as expected

Citi (C) large block of 10,000 November \$75 calls bought \$1.35 to \$1.39 into session lows, shares back near a rising 200-MA that caught up to price

PaySafe (PSFE) with 2350 April \$8 puts selling to open \$1.35

Fidelity Info (FIS) weak and breaking down and the November \$125/\$120 bear risk reversals accumulating 3500X all day

Coinbase (COIN) weak near day lows and 1000 December \$260 puts bought ITM this morning for \$31.20. **COIN** 700 Oct. 22nd (W) \$255 calls bought \$15.70 to \$16

CoStar (CSGP) at the top of its YTD value zone and 1000 January \$85 puts are bought \$3.50

Healthcare

Vertex (VRTX) a weak large cap Bio with a spread selling 1000 January \$140 puts for \$1 to buy 1000 \$240/\$280 call spreads for \$1.25, a trade taking a shot and willing to be long much lower

Regeneron (REGN) trending higher after a dip this week, February \$625 puts sell to open 200X at \$41 and seeing Oct. \$680 calls with 700X bought

Thermo Fisher (TMO) opening seller 200 June \$570 puts for \$51.1

Allakos (ALLK) on an impressive three week rally and today seeing the December \$125 calls bought 600X for \$19.40 while the \$85 puts are sold to open 600X for \$15.60, bull risk reversals. ALLK has 1500 January \$130 calls in OI from buyers. The \$5.3B Biotech will report lirenelimab data in eosinophilic gastrointestinal disease in Q4. HCW started shares Buy in May with a \$230 target noting that lirenelimab could over the long-term become one of the largest drugs ever based on peak annual revenues.

Merck (MRK) jumping with 10,000 September \$73.50 calls bought up to \$0.47. **MRK** now 20,000 November \$75 calls bought \$1.87 as the \$80 calls adjust

Iveric Bio (ISEE) with 2000 March \$15 calls open \$3.40

CIGNA (CI) into downgrade weakness buyer 740 April \$240 calls earlier \$5.60 offer

Industrials

General Motors (GM) strong open and 10,000 October \$49 calls are bought \$2.30 here. **GM** now buyers 6000 November \$48 calls \$3.90 offer

Woodward (WWD) another 1500 October \$125 calls bought \$2.60 with potential Meggitt deal coming

General Dynamics (GD) sweep buyers here for 2000 November \$210 calls \$3.55 to \$4.10

United (UAL) buyer 2000 June \$65 calls \$1.73

Tu-Simple (TSP) size buys 1650 October \$45 puts at \$7 in offer sweeps

Union Pacific (UNP) buyer of 500 June \$225/\$245 call spreads for \$5.90

Tesla (TSLA) buyer here 1000 Oct. 8th (W) \$700 calls \$65.70 to \$66.15

Materials

Cameco (CCJ) with 2500 December \$23 puts selling to open \$2.70 to \$2.55. **CCJ** with 10,000 November \$28 calls opening \$1.31. **CCJ** buyer 14,500 Dec. \$26 calls for \$2.68 and sells 21,000 Dec. \$33 calls for \$1.20, adjusts out of Dec. \$23/\$30 spreads, name that has seen strong bull flow in size last two weeks

Teck (TECK) buyer 10,000 February \$31 calls for \$1.30 and follows size Feb. \$30 call buys yesterday. **TECK** also 7000 October \$26 calls bought \$1.13

Warrior Met Coal (HCC) bull flow with 1000 each of the January \$20 and \$22.5 ITM calls being bought

Freeport (FCX) buyer of 3000 March \$40 calls \$2.77

Bunge (BG) sellers 1950 January \$72.5 puts \$3.40 to \$3.30 into WASDE

Vale (VALE) with 10,000 January \$19 calls selling to open \$0.73, bear flow all week

US Steel (X) more bull flow with 5000 January \$23 calls bought \$5.40 to \$5.50

Tech

Micron (MU) buyer 1250 June \$62.50 puts \$4.10 to \$4.20

JD consolidating near its 200-MA and 15,000 Dec. \$75 calls buy \$11.50 as September 80 adjust

Digital Ocean (DOCN) with 1600 February \$50 calls opening near \$25 for over \$4M

UI-Path (PATH) buy-writes selling 1000 January \$60 calls \$4.69

Nvidia (NVDA) with 1500 March \$235/\$300 call spreads bought for \$15.40. **Nvidia (NVDA)** large spread sold 4000 March \$200 puts to open \$13.27 while buying 6000 of the \$170 puts \$5.88, around a net credit of \$2M

Big Commerce (BIGC) with 1000 October \$55 calls sold to open

Veeva (VEEV) with 1000 January \$270 puts sold \$8.60 down to \$87.10 to open, shares pulling back since earnings but still a high quality software name

Palo Alto (PANW) size bull flow with 1350 December \$480 calls bought \$24.90 to \$26.10

Netflix (NFLX) buyers active in November \$650 calls 2000X

LAM (LRCX) pulling back from early highs, the September \$620 calls were bought actively this morning 4000X with \$1.9M in premium, one to watch into next week

Salesforce (CRM) breaking under 21-MA and 1000 March \$240 puts are bought \$13.65 offer. **CRM** also a buyer 500 March \$270 puts \$27.65

Twilio (TWLO) tech-laggard last few months with 800 Oct. 29th (W) \$300 puts bought up to \$6.15 today

ACM Research (ACMR) into day lows with 4000 October \$90 puts selling to open for \$2

Sea (SE) November \$370 calls active with buys 4500X as September \$340 adjust

Telecom/Utilities

Southern Co (SO) opening seller 2500 Oct. 8th (W) \$60 puts for \$0.60

Disclaimer:

Not Investment Advice or Recommendation

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