



# MARKET RECAP REPORT 9/15/2020

## Sector Leaders

Software

Solar

Utility

## Stock Gainers

MRNS 83%

OCN 21%

INO 16.7%

SGMS 13%

APPS 11.4%

TUP 10.7%

NLS 10.5%

## Volatility Gainers

- LAC
- LI
- TSLA
- RRC
- GSX
- TSM

## High Call Volume

- AXTA
- LAC
- FIZZ
- GIII
- PVH
- LI

## Bullish Options

- DDOG
- LAC
- TSM
- ROKU
- FB
- DD
- GIII
- AYW
- NXPI
- NOW
- STM

**Market Review:** Stocks opened strong boosted by Chinese economic data overnight, the German ZEW Survey and renewed optimism on vaccines. The US Dollar continued to decline while Oil, Silver and Gold rallied. In morning data in the US September Empire Manufacturing came in strong well above consensus though Industrial production missed forecasts. It was a return of momentum with Tech leading strength through the morning the S&P climbing back above 3400. Banks were weak as were Bonds. Breadth peaked early and without much conviction in a light trading session, investors awaiting the Fed tomorrow. We also get Retail Sales data tomorrow and earnings tonight from Fed-Ex and Adobe. The S&P approached the highs from 9/10 and back near that 21 MA resistance, a key level with a 3,330 support base forming.

### S&P Chart:



| Resistance | Support |
|------------|---------|
| 3,425      | 3,350   |
| 3,510      | 3,275   |
| 3,585      | 3,255   |

**Options Action Trends:** Bull flows early returned to large cap Tech leaders like **FB**, **AAPL**, **BABA**. Bull flow also came back to Software growth names like **DOCU**, **NOW**, **AYX**, **DDOG**. Call buyers also active in Semiconductor plays **TSM**, **NXPI**, **STM**.

**What's On Tap:** Retail Sales, Business Inventories, EIA Data and FOMC.

### Trade Tracker Portfolio Changes:

- 1) **Spotlight:** Long **AMGN** October \$255 Calls \$4.50 – No Fill

## Sector Laggards

Banks

Bonds

Housing

## Stock Losers

SAVA -13%

NKLA -9%

MRSN -7.8%

CCL -7.6%

STOK -6.4%

RCUS -6%

ORA -5.9%

## Volatility Losers

- CRON
- CLVS
- MRNS
- OAS
- RIG
- WW

## High Put Volume

- TRGP
- IMMU
- MAT
- SIRI
- PLT
- TCO

## Bearish Options

- SIRI
- VIAC
- CWH
- GM
- GDV
- CRI
- TCO
- TRGP
- CPRI
- GSX
- UPS



## FEATURED OPTIONS RADAR REPORT



### Large Halliburton Call Buy for Long-Term View

**Ticker/Price:** HAL (\$14.30)

#### Analysis:

**Halliburton (HAL)** with a notable trade on 9/14 as 5000 January 2022 \$17.50 calls were bought to open \$2.10 to \$2.50. On 8/4 the January 202 \$15 puts were sold to open 5000X for over \$1.8M in premium and the \$12.50 puts have also seen size opening sales with over 6500 in open interest. HAL shares have been making higher lows since March but recently pulled back to the rising 89 MA and volume support, and clearing \$16.65 key for a breakout move. The \$12.6B

North American oil services leader trades 9X EBITDA and 9.65X FCF with a 1.26% dividend yield. HAL has seen revenues fall sharply the last two years with lower energy prices not giving producers incentive, but it could be nearing a cyclical bottom. HAL operated better than peers through the recent weakness and announced an interesting collaboration with Honeywell on 8-10 utilizing analytics software to maximize asset potential. Analysts have an average target of \$15.75 and short interest is at 5.5% of the float. Goldman upgraded to Conviction Buy on 8-13 seeing HAL having greater earnings upside versus its peer group given the company's significant structural cost-cutting in 2020. It also notes the strong international exposure and robust FCF. BAML raised shares to Buy on 7/21 with an \$18 target expecting US activity to improve meaningfully and HAL with a visible path to deleveraging and with attractive valuation. Stifel raised its target to \$17 highlighting progress on cost-cutting and strong free cash flow while higher than expected margins reset expectations moving forward. Hedge Fund ownership declined 17% in Q2 filings,, Sanders Capital and Brandes Investment adding to positions.

#### Hawk Vision:



**Hawk's Perspective:** HAL is a well-ran company but just a brutal environment, so until we see a better Energy backdrop, a name to just observe.

**Confidence Ranking:** \$\$



## FEATURED OPTIONS RADAR REPORT



### Interactive Corp Bull Position into Likely Portfolio Catalysts

**Ticker/Price:** IAC (\$121.5)

#### Analysis:

**Interactive Corp (IAC)** with a notable trade on 9/14 as 1000 December \$130 calls were bought near \$9 and 1000 of the \$1000 puts sold near \$4 in bull risk reversals. IAC then released its August operating metrics after the close showing acceleration of growth for Angie’s Homerservices (ANGI), strong growth at Vimeo and Dotdash, while Search continued to decline. IAC shares have moved back to the low-end of its two-month range with support at \$120 key to hold, while above \$128.50 can start a breakout move above \$135 for a projected upside target move to \$150. The \$10.5B internet company has completed its tax-free separation of Match (MTCH) and now has a lot of dry powder for further portfolio moves with a long history of spin-offs and acquisitions. Some of IAC other properties include Care.com, Vimeo, .Dash, Daily Beast and Ask Network. It sees a \$400B TAM for its ANGI Homeservices business, a \$20B TAM for Vimeo, a \$28B TAM for .Dash, a \$300B TAM for Care.com, and a \$300B TAM for NurseFly and BlueCrew in the healthcare and hospitality job matching business. IAC currently trades just 2.7X Sales and 19.1X FCF. Analysts have an average target of \$155 on shares. Jefferies out with a \$155 target this morning noting sequential acceleration for its key segments in August. KeyBanc started coverage Overweight last night with a \$160 target and sees potential for ANGI and Vimeo spin-offs as catalysts while Dotdash is under-appreciated. CSFB raised its target to \$160 after IAC announced an investment in MGM (MGM) that could start the foundation of a longer-term partnership that would open up a significant addressable market opportunity with potential in online gaming and sports betting. BMO raised its target to \$174 noting the \$3B in dry powder and expects share buybacks. Hedge Fund ownership rose 2.5% in Q2 filings.

#### Hawk Vision:



**Hawk’s Perspective:** IAC is a great company with a lot of optionality and looks attractive here up against support.

**Confidence Ranking:** \$\$

# ***Additional Options Flow***

## **Market/ETFs**

**Gold Miners (GDX)** buyer 5000 November \$41 puts \$2.11 to \$2.15

**Silver (SLV)** sellers active in March \$25 puts again with 8000X trading

**S&P (SPY)** seeing buyers of more than 3000 Oct. 30th (W) \$331 puts to open this morning for over \$2.3M. **S&P (SPY)** large opening buy 5000 January \$339 calls to open \$19.55. **SPY** also a large buy 5000 January \$341 calls this afternoon \$18.41 to \$18.58

**Retail (XRT)** seeing aggressive offer buys of 630 January 2022 \$52 calls and 645 of the \$55 calls, top holdings **LB, LAD, OSTK, GPS, CVNA, SIG, CWH, ABG, AN**

**Russell (IWM)** large opening buy 1500 March \$160 puts ITM this morning \$15.25

**NASDAQ (QQQ)** opening sale 2000 January 2022 \$240 puts for \$20.315. **QQQ** Oct. 30th (W) \$277/\$255 put spreads with 8500X bought today

**Teck (XLK)** buy-write with 4000 January 2023 \$150 calls sold \$12.02. **XLK** also seeing 7500 March \$130 calls sold to open today \$4.80

## **Consumer Discretionary/Services**

**Sirius (SIRI)** buyers of 8000 November \$6 puts \$0.80 to \$0.85. **SIRI** put buys come with news the CEO and CFO are leaving

**G-III Apparel (GIII)** unusual bull flow with 2000 October \$15 calls being bought \$1.05 to \$1.30 aggressively with IV rising

**Carter's (CRI)** spreads selling 1500 October \$90 calls to buy the \$85/\$75 put spreads

**Royal Caribbean (RCL)** lower on **CCL** news but seeing 3000 Oct. 9th (W) \$69.50 calls bought \$4.45 into weakness to open. **RCL** Oct. 9th (W) spreads were also selling \$58.50 puts and \$80 calls 3000X

**Callaway Golf (ELY)** opening sale 1000 July 2021 \$20 puts for \$4, bullish bet with shares at \$19.90

**Capri (CPRI)** bearish flow with 7000 Oct. 2nd (W) \$21 puts opening up to \$1.30

**TJX Co (TJX)** with 5000 October \$57.5 calls bought as the \$55 adjust higher. **TJX** January \$60 calls active this afternoon \$3.20 to \$3.70 with over 9000 trading, will confirm OI tomorrow

**GSX TechEdu (GSX)** with 10,000 December \$120 ITM puts bought \$33.20 to \$37.50 today, name that has seen some fraud allegations

**Penn (PENN)** fading off highs and seeing 1175 October \$70 puts bought \$7.25 to \$7.40

**Caesar's (CZR)** highs, name with a lot of bullish OI, and today 1250 Dec. \$50 puts sold to buy the \$60/\$75 call spreads

**Comcast (CMCSA)** strong breakout today and 6500 January \$47.50 calls bought \$2.28 offer

**SciPlay (SCPL)** coming off an impressive quarter and 5000 November \$15 calls are bought here for \$1.96 as 3000 of the \$10 calls from 8/28 adjust

**Foot Locker (FL)** with 1000 November \$40 calls bought \$1.79 to \$1.89. **FL** also 600 January 2023 \$35 puts sold to open \$9.90

**Disney (DIS)** stock replacement opens 4000 November \$120 calls \$14.70

### Consumer Goods

**Mattel (MAT)** stock replacement sold 5000 April \$10 puts to open \$1.20

**Coty (COTY)** large opening sale 4500 January 2023 \$3 puts for \$1.28

**Wal-Mart (WMT)** buy-writes selling 13,000 January \$160 calls to open

**Newell (NWL)** 4500 October \$19 calls being bought \$0.30 to \$0.35

### Energy

**Petrobras (PBR)** opening sale 4000 November \$8 puts for \$0.56

**Targa (TRGP)** with 13,000 October \$14/\$12 put spreads opening as September \$15 puts adjust

**Hess (HES)** buyer 2500 October \$42.5/\$37.5 put spreads as Sep. \$43 puts adjust

**Apache (APA)** call buyers active again today with 10,000 Oct. 2nd (W) \$12.50 calls up to \$0.67

### Financials

**Global Payments (GPN)** opening sale 1000 October \$160 puts \$2.55

**Taubman (TCO)** November \$30/\$20 put spreads opening 2500X as Oct. puts adjust

**Van Heusen (PVH)** with 4900 October \$75 calls sold to open as September \$70 adjust

**Square (SQ)** opening sale of 1000 June 2021 \$150 puts for \$29

**Ventas (VTR)** adjustment of 3000 October \$45 short calls to November \$47.5

**Citi (C)** seeing size Sep. 25th (W) puts adjust out to March \$47.5 and \$45 puts which are trading 10,000X and 7000X

**Goldman (GS)** buyer 2000 January \$240 calls \$3.65 offer

**Ally Financial (ALLY)** with 1450 December \$27 ITM puts bought \$3.70 to \$3.80

**Equity Residential (EQR)** sweep buyer 500 January \$57.50 puts \$5.50 offer

**Assured Guaranty (AGO)** weak on lows and 3000 January \$19 puts are bought \$2.35

### Healthcare

**CVS Health (CVS)** down slightly after reaffirming outlook, seeing 1000 January 2023 \$60/\$40 bull put spreads open and 1000 of the \$40 ITM calls open

**Bristol Myers (BMY)** buy-write with 2500 March \$60 calls sold \$3.90

**Thermo Fisher (TMO)** trading 1000 October \$450 calls and \$420 puts, looks to be another collar

**GENMAB (GMAB)** with 1250 November \$40 calls opening \$1.65 as September \$40 adjust, look to be buy-write calls extending

**Novavax (NVAX)** with 1000 October \$80 deep ITM calls opening today near \$33, shares basing recently

**Wave Life Sciences (WVE)** seeing 650 October \$20 speculative call buys today, set to present a bunch of data through September. WVE does have 17% of the float short

**Alexion (ALXN)** seeing October \$135/\$100 bull risk reversals open here 850X

**Lab Corp (LH)** with 2085 October \$190 calls opening \$5.85 with September \$185 adjusting out. LH shares working out of a base last week and continuing today above the 55 MA

**Cryoport (CYRX)** with 1000 February \$50 calls being sold to open for \$10.90

### Industrials

**Camping World (CWH)** sell the news reaction seeing 1865 Oct. \$36 calls sell to open. **CWH** now with 1000 December \$33 puts sold to open for \$4.65

**General Motors (GM)** with 1400 December \$33 puts bought to open \$4.25 offer

**Li Auto (LI)** with 1400 January 2023 \$30 calls bought to open \$9.60 to \$9.90 today with shares at \$18

**Toll Brothers (TOL)** opening sale 750 March \$45 puts for \$6.80

**Caterpillar (CAT)** buyers of 700 March \$165 calls \$7.45 to open

**Nio (NIO)** with 10,000 Oct. 2nd (W) \$23 calls bought today \$0.70 to \$0.95

**Tesla (TSLA)** seeing the January \$460/\$600 call spreads trade 2500X today, want to confirm OI tomorrow

**United Parcel (UPS)** with 1000 October \$155 puts opening \$3.85

**Fed-Ex (FDX)** April \$300/\$350 call ratio spreads active all day into earnings 1100X2200

### Materials

**Lithium Americas (LAC)** unusual 1850 October \$12.50 calls hot early with strong price-action

**DuPont (DD)** buyer 1650 January \$67.5/\$77.5 call spreads

**Weyerhaeuser (WY)** seeing 920 April \$27 puts bought to open near \$2.50 and 1870 of the April \$31 calls bought to open near \$2.30. **WY** 3000 Oct \$26 puts sold to open

**Summit (SUM)** spread sells 1000 November \$15 puts \$0.85 and 1000 January 2022 \$20 calls \$2.85, name with recent insider buying

**Graphic Packaging (GPK)** with 4000 October \$15 puts opening \$0.78 as September adjust

### Tech and Telecom

**DataDog (DDOG)** early buys of 1000 November \$110 calls \$2.50 offer

**Facebook (FB)** next week \$270 calls active with buyers early 1950X for nearly \$2M

**Alibaba (BABA)** with 1000 Oct. 23rd (W) \$277.5/\$295 call spreads bought to open

**Pinterest (PINS)** buyer 1000 October \$42 puts ITM \$5.70 to \$5.80

**Corning (GLW)** with 4800 October \$34 calls sold to open \$0.78

**DocuSign (DOCU)** seeing 880 March 2021 \$200/\$180 bull put spreads open

**Alteryx (AYX)** buyers this morning 650 October \$110 calls up to \$7.85, name hit hard last Q on earnings and trying to base, worth a look above \$113

**MicroStrategy (MSTR)** unusual buy of 200 April \$190 far OTM calls \$7 to \$8. **MSTR** interesting note the company has been buying BitCoin as its primary reserve currency

**NXP Semi (NXPI)** with buyers of 400 April \$120 ITM calls up to \$20 this morning, strong name back near highs. **NXPI** April calls now up over 1000X with some September rolls

**Service-Now (NOW)** large morning buyer of 500 January \$470 calls \$47.80

**Intel (INTC)** buyers active this morning for 8000 December \$47.50 puts, stock-tied

**Pinduoduo (PDD)** buyer 1000 Oct. 2nd (W) \$78 puts for \$2.47

**ST Micro (STM)** jumps as 7000 January \$32.50 calls are bought to open up to \$3, name with size bullish call OI

**ACM Research (ACMR)** with 100 October \$90 calls bought \$3.30 to \$3.50 to open

**Advanced Micro (AMD)** day highs and 2750 March \$77.50 ITM calls active today near \$13 for over \$3.9M

**ON Semi (ON)** buyer 1000 April \$20 puts \$2.35 offer

**Uber (UBER)** trade opens 5000 December \$38 synthetic long at zero cost. **UBER** with 3000 November \$31 calls opening \$7.77 as September \$30 adjust

**Applied Materials (AMAT)** buyer 10,000 Oct. 2nd (W) \$61 calls for \$0.77 as Sep. \$60 adjust out

**AutoDesk (ADSK)** making big move off its base and seeing 1150 Oct. 2nd (W) \$250 calls bought to open \$3.40 to \$3.60

**JD.com (JD)** opening sale 1500 March \$75 straddles for \$19.75

**Yandex (YNDX)** with 1000 next week \$65 puts opening \$3.30 to \$3.50 as September positions adjust

**Google (GOOG)** July 2021 \$1900/\$2200 call ratio spreads open 500X1000 at \$26.70

**Verint (VRNT)** with 1500 November \$50 calls sold to open \$2.55 bid

**Twitter (TWTR)** large trade opens 16,000 November \$40 straddles which skews negative net Delta

**WorkDay (WDAY)** seeing 1365 December \$210 calls active here where 2,892 have been bought with accumulation recently

**Interactive (IAC)** buyer 2000 October \$120/\$110 put spreads for \$2.95

**Taiwan Semi (TSM)** also seeing 2000 January 2022 \$100 calls bought near \$9.35

**Slack (WORK)** with a vote of confidence this afternoon as 3300 June 2021 \$23 puts being sold to open \$4 to \$3.60

**Broadcom (AVGO)** stock replacement opens 200 March \$370 calls \$34.75

**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.*

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