



Sector Leaders

Cyber Security

Housing

Transports

Stock Gainers

CAR 9.7%

RYAAY 6.3%

DASH 6%

GXO 5.5%

LCID 5%

TDUP 5%

Volatility Gainers

- BLI
- IRNT
- RSI
- MRTX
- YY
- VALE

High Call Volume

- ADNT
- GDOT
- MEOH
- CLVT
- GSL
- GES

Bullish Options

- AAPL
- PLTR
- UA
- ADI
- DELL
- GDOT
- BAX
- KWEB
- ASO
- SNY
- ANTM

**Market Review:** Stocks pulled in overnight off the Wednesday rally highs but remained above key levels, some concerns with the stalling of Biden's economic plan while a lot of economic data was due out and markets were content to wait. Philly Fed came in very strong above expectations and August Retail Sales also strongly beat estimates. Nearly every sector was lower through the morning with the commodity names that rallied hard yesterday showing the most weakness. Breadth started to improve into the early afternoon and the VIX pulled back in. The S&P remains trapped just under resistance of the 8 and 21 day moving averages with slight oversold readings and latest AAll Sentiment came out extreme bearish. We head into September OpEx and rebalance in a market near key support but seeing some positives develop.

**S&P Chart:**



Resistance	Support
4,485	4,420
4,525	4,400
4,555	4,370

**Options Action Trends:** Flows were pretty quiet today without a lot of large positioning, no new sector trends seen.

**What's On Tap:** Consumer Sentiment, September OpEx, Rebalance.

**Trade Tracker Portfolio Changes:**

- 1) Spotlight: Long PFE November \$45 Calls \$1.65
- 2) Closed ABNB Calls \$8.50 (Opened \$5)

Sector Laggards

Metals

Energy

Solar

Stock Losers

SBSW -9.2%

FCX -7.5%

FSR -7.4%

SSRM -6.2%

LYEL -6%

WPM -6%

Volatility Losers

- GSKY
- SBSW
- GKOS
- DNMR
- CIFR
- MGNX

High Put Volume

- CSTM
- OMI
- HOLX
- CBOE
- YY
- MSOS

Bearish Options

- CBOE
- RIO
- LCID
- SKX
- YY
- HOLX
- OMI
- ASML
- NVS
- X
- BABA
- PWR



## FEATURED OPTIONS RADAR REPORT



### Best-of-Breed Department Store Operator Draws Call Buys with More Partnerships on the Horizon

**Ticker/Price:** KSS (\$52.45)

#### Analysis:

**Kohls (KSS)** shares pulling back to the 200-MA and trend support this week and bullish flow with 3,000 October \$55 calls bought on 9/15 for \$1.47 to \$1.64 and follows the October \$52.50 calls bought 2800X on 9/14. The November \$55 calls were bought 1000X on 9/8, the November \$52.50/\$62.50 call spread bought 5500X on 9/3, and the January \$57.50 calls bought 3700X on 8/19. KSS still has a large \$8M buy from February in open interest as well in the January \$35 ITM calls. Shares are back at the low-end of monthly value and putting in a bullish reversal day on Monday with room back to \$58 on a turn higher. The broader weekly bull flag has a measured move above \$60 to \$85. The \$8.23B company trades 8.55X earnings, 0.45X sales, and 3.55X FCF with a 2% yield. KSS has undergone a big structural change over the last 24 months as they work on faster turns, improved inventory assortment and unique partnerships, and more digital engagement. The company was at the Goldman retail conference on 9/9 and noted that they have a number of new partnerships to announce soon, potential drivers of the stock, especially around areas like athleisure where they've seen strong performance recently from their FLX brand. They also expect to transform their Women's business and see it as a potential growth engine as they jettison old leadership and brands and revamp the unit. Analysts have an average target for shares of \$55 with a Street High \$80. BAML positive in August on an interesting angle, their recent partnership with Sephora. The firm views the deal as a key driver to boost sales and earnings and also for its ability to attract younger, more affluent customers and promote cross-shopping. The rollout can add 200bp to second half of the year comps and over time can be 15% accretive to EPS, without taking any cross-shopping into consideration. Hedge fund ownership rose 6.5% last quarter, Dorsal Capital a top buyer of stock.

#### Hawk Vision:



**Hawk's Perspective:** KSS is back at an attractive spot and among the brick-and-mortar retailers, one of the more intriguing names given their self-help initiatives and potential brand drivers

**Confidence Ranking:** \$\$



## FEATURED OPTIONS RADAR REPORT



### Large Puts Look for Downside in Specialty Insurance Co.

**Ticker/Price:** TRUP (\$83)

#### Analysis:

**Trupanion (TRUP)** this week with 1700 October \$90 puts and 3000 October \$85 puts opening for over \$3M as some September puts adjusted and a buyer of 400 November \$90 puts for \$365K on 9/2 also in open interest. TRUP shares are breaking multi-month lows this week and look to have plenty of room back to the \$71.25 retest of a 2020 breakout key volume node. Trupanion is a provider of medical insurance for cats and dogs throughout the United States, Canada, Puerto Rico, and Australia. Its data-driven, vertically-integrated approach enables TRUP to provide pet owners with products that offer the highest value medical insurance, priced specifically for each pet's unique characteristics.

According to the Insurance Information Institute, there are 183.9 million household dogs and cats in the United States, and according to the Canadian Animal Health Institute, there are 16.5 million in Canada. North American Pet Health Insurance Association estimates that the penetration rate for medical insurance for cats and dogs in North America is approximately one to two percent. TRUP's total enrolled pets grew from 31,207 pets on January 1, 2010 to 862,928 pets on December 31, 2020, which represents a compound annual growth rate of 35%. TRUP currently has a market cap of \$3.4B and trades 4.8X EV/Sales with revenues seen rising 37% this year and 26.5% next year though not expected to be EPS positive for many years still and missed EPS forecasts sharply last quarter. TRUP also faces growing competition in the pet insurance space and could face growing regulatory risks with it compensating veterinarians for new sign-ups.

Other potential downside catalysts include slowing pet enrollment out of the pandemic, backing away from its 90% reimbursement model, higher pet acquisition costs, and losing market share. Analysts have an average target of \$125 on shares while short interest is up 25% Q/Q to 10.5% of the float. Canaccord out positive in June saying lead channel diversification, improving member experience, and broadening its subscription offering initiatives should fuel growth. Evercore started shares Outperform with a \$100 target back in April as a leading subscription model in a large and under penetrated market.

#### Hawk Vision:



**Hawk's Perspective:** TRUP certainly looks to have further downside with bearish technical, options flow and high valuation, so a name to consider for short exposure.

**Confidence Ranking:** \$\$



## FEATURED OPTIONS RADAR REPORT



### Unusual Calls See Upside in Growing Asset Manager

**Ticker/Price:** BEN (\$32)

#### Analysis:

**Franklin Resources (BEN)** with unusual call action on 9/14 as 3800 April \$37.50 calls opened near \$0.70, a name lacking any other notable open interest. BEN shares put in a strong start to 2021 and peaked in early June, currently forming a nice consolidation with a move above \$32.50 likely triggering a breakout. The \$34.50 and \$35.50 are also longer term resistance level and weekly MACD is working higher nearing a potential bullish cross signal. BEN is a global investment management organization with \$1.5 trillion AUM following its deal for Legg Mason. BEN provides investment management and related services to retail, institutional and high-net-worth investors in jurisdictions worldwide. Fixed Income is 46% of AUM, Equity at 31% and the rest in Multi-Asset, Alternative and Cash Management. Since the acquisition, BEN has grown alternatives by 15%, wealth management by 22% and SMAs by 25%. In the latest quarter institutional flow pipeline improved to \$14.1B from \$13B in the prior quarter and BEN highlighted a handful of initiatives gaining traction. BEN has a market cap of \$15.8B and trades 9X Earnings and 1.4X Book with a 3.6% dividend yield. EPS is seen growing 27.6% in 2021 and 5.1% in 2022. Analysts have an average target of \$32.50 with short interest at 6% of the float. BEN has not seen any recent Analyst coverage, BMO upgraded to Outperform with a \$36 target back in March on net flows improvement and potential for a re-rating with the Legg Mason deal providing an inflection point.

#### Hawk Vision:



**Hawk's Perspective:** BEN is an attractive value offering a nice yield for a conservative equity investor but hard for me to justify owning over a dominant franchise like **BLK** or an alternative play like **BX**, **KKR**.

**Confidence Ranking:** \$\$



## FEATURED OPTIONS RADAR REPORT



### Bullish Open Interest Accumulates in Fintech in the Early Innings of Transformation

Ticker/Price: LC (\$28.50)

#### Analysis:

**Lending Club (LC)** bullish flow accumulating over the last two weeks including 1000 January 2024 \$20 ITM calls today for \$14.20 to 14.40. The January 2023 \$40 calls, October \$31 calls, and November \$26 calls all seeing buyers recently, the latter over 4500X, and still has 1000 January \$36 calls and 3500 January \$25 calls in OI from earlier this year. Shares gapped higher on earnings in July and drifting higher up to \$33 recently before pulling back to monthly VPOC this week. A break back above the 8-EMA at \$29.50 has room to re-test the prior highs and measured move to \$41. The \$2.87B company trades 35X earnings, 5.5X sales, and 6X FCF. LC has been a transformation story in 2021 after their acquisition of Radius Bank which helped change its business model and strategy away from peer-to-peer borrowing and towards more traditional financing. LC crushed estimates in Q2 with loan origination volumes of \$2.7B vs guidance of \$1.7B to \$1.9B driven by new customer adds, higher LTV, and a more favorable macro environment. They continue to see significant growth in NII as they take advantage of low-cost digital bank deposits and grow their loan portfolio. Analysts have an average target for shares of \$22 with a Street High \$35. Maxim upgrading to Buy on 8/20 citing strong results in the first full quarter of the acquisition that shows solid execution while giving the firm confidence in its new business model and customer growth. Short interest is 4.35%. Hedge fund ownership rose 10% last quarter, Jackson Square Partners a top buyer of 3M shares and Basswood Capital bought 2M shares. Insiders also active including a director adding \$60K at \$31 on 9/3.

#### Hawk Vision:



**Hawk's Perspective:** LC shares are in a strong trend with plenty of tailwinds for continued growth and a move back to VWAP from the earnings gap around \$26.50 would be a nice risk/reward spot

**Confidence Ranking:** \$\$

## **Additional Options Flow**

### **Market/ETFs**

**Nasdaq (QQQ)** over 20,000 Dec. \$340 puts bought for \$13.5M as September spreads adjust. **QQQ** also with 6500 Oct. 29th (W) \$372.5/\$357.5 put spreads bought

**Gold (GLD)** strategist opened 5000 September/October \$164 call calendar spreads for \$1.93

**China Internet (KWEB)** trending higher all morning with 18,000 October \$48 calls bought \$2.36 to \$2.40

**Nat Gas (UNG)** seeing nearly 3000 January \$18 puts sold to open for around \$1M

### **Consumer Goods**

**Victoria's Secret (VSCO)** another 1000 October \$65 calls bought today for \$2.90, follows the 2500 Oct. \$65/\$75 call spreads yesterday

**Academy Sports (ASO)** the October \$48/\$55 call spread bought 2,500X5,000 today for \$1.15 debit

**Adient (ADNT)** buyer 2000 January \$46/\$55 call spreads with October spreads adjusting

**Under Armour (UA)** sweep buyers 2000 April \$25 calls \$0.90 offer, aggressive. **UAA** now with 1300 Apr \$20 puts selling to open \$1.93

**Lucid (LCID)** spreads selling 10,000 October \$26 calls to buy the \$17.50 puts

**Harley (HOG)** jumpy with 2,950 October 8th (W) \$39 calls bought for \$1.00 to \$1.15, follows put sales already this week in the name; **HOG** the October \$39 calls also bought 1000X for \$1.50

**AB InBev (BUD)** buyers of near 700 January 2023 \$55 calls for \$8.50

**P&G (PG)** opening sellers 1000 November \$145 puts at \$5.35 bid into day lows and test of range bottom

**Beyond Meat (BYND)** with 1000 February \$100 puts sold to open today \$10 to \$9.80

**Decker (DECK)** Mar. \$430 short puts open 385X at \$41.10, adjusting Dec. \$370 from 6/30

**Callaway Golf (ELY)** buyer 7500 October \$31/\$35 call spreads for \$1.30 as September calls adjust

**Anheuser Busch (BUD)** with 7500 December \$65/\$70 bull call spreads active where 3000 have opened recently

**Mondelez (MDLZ)** with 1,250 November \$62.50 puts sold to open for \$2.95/\$2.90

### **Consumer/Business Services**

**Trip Advisor (TRIP)** with 1275 January 2023 \$40 calls sold to open \$6.05

**Las Vegas Sands (LVS)** with 12,500 March \$40 calls bought \$3.80 to \$3.90 into midday lows

**Tegna (TGNA)** with 3000 January \$22/\$25 call spreads bought today for \$0.55, name that had takeover offers from four different companies in 2020

### **Energy**

**Helmerich and Payne (HP)** opening sale 1000 December \$25 puts for \$1.95, name with size in call OI as well. HP coiled here on 21-MA and just under 55/200 MA, above \$28.25 can run

**Energy Transfer (ET)** trading 20,000 January \$10/\$8 bull risk reversals for \$0.14 debits

**Range Resources (RRC)** with 1,850 January \$19 at-the-money puts sold to open for \$2.80 to \$2.79

**QuantumScape (QS)** with 1850 December \$22.50 calls being bought \$2.51 offer as shares push higher

### Financials

**Jefferies (JEF)** tightly consolidating financial with large opening seller 12,000 October \$35 puts \$0.65

**Green Dot (GDOT)** buyer of 1000 October \$40 ITM calls for \$10.04, the September calls adjusting from 5/20 buys

**Simon Property (SPG)** another 975 April \$155 calls bought today \$4.35, spot where 1000 bought already this week

**Coinbase (COIN)** large opening sale 500 January 2023 \$210 puts for \$40

**Bank America (BAC)** stock replacement bought 2250 February \$41 calls \$2.58, also buyers of 1000 March \$40 ITM calls

**JP Morgan (JPM)** into morning lows with 10,000 November \$170 calls sold to open \$1.62

**Fidelity Info (FIS)** stock replacement opens 2885 January \$115 calls deep ITM \$14.69

**Schwab (SCHW)** with 6000 October \$75 calls sold to open \$0.84

**Affirm (AFRM)** deep ITM January \$80 calls active 2000X with buyers near \$42 today

**Citizens Financial (CFG)** buyers of 1850 April \$45 calls for \$3.50, basing in a narrow range around the 200-day. **CFG** also with 1600 November \$47.50 puts sold to open for \$4.80

**Rocket Co (RKT)** with 1450 June \$15 puts sold to open around \$1.89

**S&P Global (SPGI)** with 750 November \$490 calls bought for \$5.30, the \$470 calls adjust higher

**Citi (C)** had sweep buyers of 4500 Sep. 24th (W) \$71 calls for \$0.93

**MetLife (MET)** with 4000 November \$65 ITM puts selling to open for \$4.45, coiled under a breakout

### Healthcare

**Baxter (BAX)** with 2,500 September 24th (W) \$82 calls bought for \$1.52, adjusting the \$81 calls bought last week

**Hologic (HOLX)** September \$80 puts rolling to October \$80 puts 2000X

**Walgreens (WBA)** with 1600 April \$57.50 calls bought today \$1.35 to \$1.36 to open, pulled back from the recent rally to base along the 200-MA

**Owen Minor (OMI)** losing 200-MA support and 1500 October \$37.50 puts are bought \$3.60 as September adjust

**Novartis (NVS)** with 2,750 April \$87.50 calls sold to open today for \$2.80

**Sanofi (SNY)** with another 5000 January \$50 calls bought \$1.70 to \$1.95

**Anthem (ANTM)** the October \$370 calls being bought 1800X today for \$12.35 and spread with the \$390 calls

**Mirati (MRTX)** with 1,350 October \$170/\$210 call spreads bought for \$12.60 ahead of ESMO and their Monday investor meeting; MRTX still has some size in the October \$200 calls

**AMN Health (AMN)** seeing 3,000 Sept. \$110 calls close and roll out to open 1,500 each of the October \$110 and \$115 calls for \$5.80 and \$3.10 respectively

**Pacific Bio (PACB)** spreads here are selling the October \$29 calls to buy the \$26 puts, 7000X for \$0.55

**AbbVie (ABBV)** bottoming after recent sell-off seeing November \$115 calls bought 9618X at \$1.16 spread versus \$120 and \$125 calls which may be adjusting

**Eli Lilly (LLY)** with 5500 October \$250 calls sold to open today down to \$0.85

**Merck (MRK)** buy-write sells 4000 January 2023 \$95 calls \$1.66

**Haemonetics (HAE)** spread bought 500 November \$70 calls for \$4.50 and sold the October \$65 puts for \$1

**Blueprint (BPMC)** with 250 November \$90 synthetic long spreads bought for \$10.73, some Sept. spreads rolling and BPMC still has 2500 October \$120 calls in OI from buyers

### Industrials

**Momentum (MNTS)** with 1,250 May \$10 calls bought \$2.15 to \$2.35 to open this morning

**Global Ship Leasing (GSL)** with 1000 March \$30/\$35 call spreads opening as the industry backdrop remains extremely strong

**Generac (GNRC)** with 1200 October \$500 calls sold to open from \$2 to \$1.86

**CSX** opening sale 1000 January 2023 \$35 calls \$2.05

**Atlas Air (AAWW)** recent size put sales in the name and today 1000 October \$80 calls being bought between \$2.20 and \$2.45

**Air Transports Group (ATSG)** buyers in OTM low Delta Oct. \$30 calls today 3000X at \$0.19 to \$0.30, been a name with M&A speculation in the past

**Jet Blue (JBLU)** trying to work out of a multi-week base seeing 10,000 October \$16 calls bought \$0.37 to \$0.46

### Materials

**Rio Tinto (RIO)** with 2650 October \$67.22 puts bought early \$1.10, issued a warning today after a getting hit with a new tax bill in Australia related to 2015 outstanding issues

**Desktop Metals (DM)** opening sale 1600 December 2022 \$7.50 puts \$2.20

**US Steel (X)** buyer of 2,500 November \$22 puts for \$1.03 to \$1.04

**Tronox (TROX)** the February \$23/\$26 call spread bought 2500X for \$1.60 with the recent M&A talk. **TROX** the Feb. \$24/\$27 call spread now also being bought 1000X; the \$26-\$27 level would be ~30% from when rumors came out about a deal

**Barrick (GOLD)** buyer 1500 December \$18 calls \$1.35 offer

**Alcoa (AA)** with 3300 January \$40 puts opened for \$2.40

### Tech



**Palantir (PLTR)** buyers of 1,500 September 2022 \$35 calls for \$3.60 to \$3.65 with today's strength

**Twitter (TWTR)** with 3000 November \$75 OTM calls bought today up to \$0.93

**Apple (AAPL)** early seller flow in March \$145 puts down to \$9.60, will confirm OI tomorrow

**ZenDesk (ZEN)** block 1800 Jan 2023 \$115 puts sold \$18.60, will confirm OI tomorrow. **ZEN** looks to be opening sale as former OI was across multiple days in smaller lots, on chart shares have pulled back but looking to put in a nice weekly hammer just above 50% retracement and VWAP off March 2020 lows

**Dell (DELL)** with the October \$95 puts sold to open 5000X at \$1.13, the December \$95 puts sold to open 5000X at \$3.53 and the December \$90 puts sold to open 5000X at \$1.95

**Five-9 (FIVN)** spread sells 1000 November \$140 puts to buy 1000 October \$175/\$185 call spreads. **FIVN** now with 1000 November \$175/\$185 call spreads bought 1000X with the \$140 puts sold

**Joyy (YY)** buyers active 4000 January \$45 puts where 3000 have accumulated recently

**ASML (ASML)** buyer 1200 January \$450 puts at \$3.80 as November \$610 adjust

**Snowflake (SNOW)** buyer 250 Jan. 2023 \$290 puts at \$48.80

**Qualcomm (QCOM)** opening sale 400 January 2023 \$120 puts for \$18.70. **Qualcomm (QCOM)** also with 800 April \$130 puts sold to open for \$8.85, stock replacement

**Cloudflare (NET)** with 850 January 2024 \$100 puts sold to open between \$18.50 and \$17.75, some 2023 short puts adjusting

**Lightspeed POS (LSPD)** IV climbing as 1000 February \$100 puts bought for \$7.40 to \$7.50 to open, potentially hedging stock into strength

**Alibaba (BABA)** buyer 1000 January 2023 \$80 puts for \$5.45

**Google (GOOG)** with 1450 December \$2600 puts being bought to open this morning up to \$51

**Zoom (ZM)** with 1,425 February \$250 puts sold to open this morning for \$16.20. **ZM** also 1000 February \$240 puts sold to open \$13.50 bid

**Workday (WDAY)** with 1,150 January 2024 \$270 puts sold to open for \$53.05, rolling the Jan. 2023 \$250 puts that opened in Feb.

**Zoom Info (ZI)** with 450 March \$70/\$90 call spreads bought today for \$5.45, follows the December \$60 call accumulation this week

**Cisco (CSCO)** buyer of 2300 April \$45 calls \$12.75 offer to open while another trade sold 10,000 January 2023 \$65 calls \$2.90 in a buy-write

**Oracle (ORCL)** buyer 1300 November \$87.50 calls \$2.91 offer

**IBM** with 11,000 November \$145 calls sold to open for \$1.60 to \$1.57

**Avalara (AVLR)** with 500 November \$190 calls bought \$11 to \$11.20, some Sept. \$175 calls closing and adjusting higher

**Go Daddy (GDDY)** buyer 300 January 2023 \$97.50 OTM calls \$3.80, beaten up name looking pretty attractive on valuation

**T-Mobile (TMUS)** trading 26,500 calls today, 8X average, buyers active in October and November while 8500 next week \$129 calls also active with buyers early today.

**Advanced Micro (AMD)** moving strong, earlier with 13,000 December \$120 calls bought \$3.20 offer spread versus 8510 Dec. \$105 puts sold mid-market \$8.30

**Apple (AAPL)** Oct 1st (W) \$150 calls being active with buyers all session trading 25,000X. **AAPL** sale 2000 Sep. 2023 \$220 calls \$6.20 bid

**Sentinel One (S)** with 1500 March 2022 \$80/\$75 bull put spreads opening

**Snowflake (SNOW)** buy-writes today are selling 825 June 2022 \$420 calls around \$20

**Taiwan Semi (TSM)** opening sale 1000 April \$115 puts at \$7.55

### Telecom/Utilities

**NRG Energy (NRG)** block of 3915 November \$45 calls opens \$1.40 as Sep. \$42 adjust

#### **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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