



Sector Leaders

Banks

Retail

Gold

Stock Gainers

LCID 8.5%

TMO 8.2%

IVZ 6%

AMEH 5.5%

CVGW 8%

SEER 6.5%

Volatility Gainers

- ABCL
- VALE
- ATEC
- CNC
- LCID
- MRTX

High Call Volume

- PARR
- VSAT
- ATSG
- ATH
- IHRT
- AXTA

Bullish Options

- FL
- PARR
- MCD
- MRTX
- ZBH
- LC
- LRCX
- CZR
- WDC
- EXPE
- COIN
- BYND

Market Review: Stocks were modestly lower overnight and into the open with China headlines continuing and commodities coming under some pressure though Quad Witching and next week's FOMC Meeting the main focus for investors. Consumer Sentiment came in just below expectations and the opening hour was very choppy trading while internals trended lower through the morning. Bonds sold off and yields rose causing rotations to value, Banks and Retail the only sectors higher midday, but much of this shifted into the afternoon. Tech lagged sharply early with its growth ties and commodities sold off the sharpest. The S&P failed at the 8-MA all week and rolled back towards its 55-MA while the Nasdaq sliced back under 8 and 21 day moving averages, weak price-action into a seasonally weak period the next few weeks. The S&P moved down to that rising 55-MA and trend support off May and July OpEx lows with breadth remaining weak all day. Into next week with the FOMC in focus we could see a false breakdown and reversal but we remain in a sell-signal since 9/10 and really need to be back above 4490 for a bullish all clear inflection signal.

S&P Chart:



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

Options Action Trends: Put buying was active early in Metals names like **CLF, MT, CCJ, X**. We saw some opening put sales in Precious Metals, however, with **PAAS, SSRM**. We saw some cautious positioning start in growth Software names like **VEEV, TEAM, INTU** as well as **NVDA**.

What's On Tap: We remain in a quieter market environment into next week though also one that tends to be seasonally weak to close September. On the earnings front a handful of large cap reports with **Nike, Adobe, FedEx, Costco, Lennar, Darden, Accenture**, and **General Mills**. Economic data is minimal in the front-half of the week with mostly Housing numbers and the FOMC in focus for Wednesday as the big event of the week. We will also get September Flash PMI reports on Thursday which may show the slowdown fears being realized as supply chain and labor shortage challenges continue on a global scale.

Trade Tracker Portfolio Changes:

- 1) No Changes

Sector Laggards

Metals

Energy

Semi's

Stock Losers

IRNT -19.5%

KYMR -10%

X -7.5%

BHG 5.5%

S -5.1%

AMKR -5%

Volatility Losers

- TSP
- AXSM
- VOD
- RSI
- SAVA
- IHRT

High Put Volume

- CSTM
- CFX
- CCK
- DISCK
- BYSI
- PANW

Bearish Options

- CCJ
- CLF
- PLTR
- MT
- X
- ABCL
- LCID
- ADI
- NVDA
- VTR
- CRWD
- FE



FEATURED OPTIONS RADAR REPORT



Bulls Pile into Department Store Calls into the Close

Ticker/Price: TGT (\$247)

Analysis:

Target (TGT) sweep buyers active late on 9/16 with 5000 December \$260 calls bought \$6 to \$6.50 offer to open, a name that has seen some bullish flow in January 2022 with the \$250 puts sold to open and some buyers in \$280, \$290 and \$300 calls. TGT has recently pulled back to YTD lower value support and basing the past week also above VWAP off the May lows. TGT would look healthier on a move back above \$252.50. TGT is a leading department store that offers everyday essentials and fashionable, differentiated merchandise at discounted prices. TGT generates approximately 1/3 of sales from its owned and exclusive brands. TGT did a great job navigating the pandemic and has built out a strong omnichannel platform incorporating store pickup and delivery and stands to benefit from further market share gains. TGT has a market cap of \$121B and trades 19.1X Earnings, 1.2X Sales and 24.7X FCF with a 1.46% yield. TGT revenues are seen rising 11.7% this year and then it will face tough comps in FY23. TGT sold off after its latest earnings report with SSS +8.9% below estimates. TGT saw increased traffic with smaller tickets and 17% of sales are now digital. TGT has been winning market share in hardlines and apparel which has benefitted margins. Analysts have an average target of \$280 with short interest at 1.6% of the float. Tigress Financial was out positive on 8/26 seeing upside to \$320 over the next year in a strong consumer spending environment and its ongoing ecommerce and omnichannel fulfillment initiatives. TGT announced a \$15B buyback on 8/18 as well that can support shares.

Hawk Vision:



Hawk's Perspective: TGT continues to screen better than peers across growth and margins while emerging from the pandemic a clear winner. Shares look good versus recent support near \$241.50.

Confidence Ranking: \$\$\$



FEATURED OPTIONS RADAR REPORT



Put Sales See Value in Lagging CRM Software Co. with New Product Suite Launch

Ticker/Price: ZEN (\$125.50)

Analysis:

Zendesk (ZEN) saw its first notable options action in some time on 9/16 as 1800 January 2023 \$115 puts sold to open at \$18.60 and also saw some action buying the \$160 calls with 1500X traded and sellers of \$160 puts 800X. ZEN has 6,325 January 2023 \$165 calls in open interest from buy-writes in late 2020 and in October the \$125 calls with 1000X in OI and the \$135 calls bought 2000X on 8/31. ZEN also with a notable opening sale of 1500 January \$135 puts for \$2.28M back on 6/8. ZEN shares have been lagging in 2021 down 12% YTD but reached a key spot this week just above a 50% retracement and VWAP off the March 2020 lows. ZEN may put in a bull weekly engulfing candle this week and MACD setting up for a potential bullish crossover as well. ZEN is a leader in customer relationship management (CRM) with its software solutions that create easy, cohesive, and frictionless experiences. Its flagship product, Zendesk Support, is an easy-to-use system for tracking, prioritizing, and solving customer support tickets across multiple channels, bringing customer information and interactions into one place. Zendesk Chat is live chat and messaging software that provides a fast and responsive way to connect with customers on websites, on mobile devices, and through social messaging applications. ZEN introduced in Q1 Zendesk Suite which incorporates these two products and many more into a complete & comprehensive solution. ZEN will be hosting an Investor Day in November that can serve as a potential positive catalyst. ZEN has a market cap of \$15.5B and is trading 11.2X FY21 and 8.9X FY22 EV/Sales with revenues seen rising 27.7% this year and 25% next year while also showing strong profitability, 7%+ EBIT margins. ZEN sees a path to \$3B in revenues and is currently at \$1B. ZEN recently announced a small deal for Cleverly. Analysts have an average target of \$180 and short interest is 6.7% of the float. UBS upgraded shares to Buy in May with a \$190 target positive on Suite adoption driving a return to 30% growth. Hedge Fund ownership fell 1.85% last quarter, Whale Rock and Cadian notable concentrated top holders.

Hawk Vision:



Hawk's Perspective: ZEN has an impressive weekly candle shaping up and one that provides an easy "trade against" level, and shares look undervalued after this recent period of underperformance.

Confidence Ranking: \$\$



FEATURED OPTIONS RADAR REPORT



Bulls See Upside to Regional Bank After Transformational M&A Deals

Ticker/Price: CFG (\$43.75)

Analysis:

Citizen's Financial (CFG) basing above its 200-day MA for the last month and on 9/16 seeing bullish flows including 1,850 April 2022 \$45 calls bought for \$3.50 and over 1,600 November \$47.50 puts sold to open for \$4.80. CFG has 3,250 January 2023 \$55 calls in OI from buyers starting back in May while sellers active in the January and June puts. In July, 3,500 January \$40 puts were bought to open. CFG has been on a strong run since the March 2020 lows and back at the 23.6% retracement of the run at \$42. A break higher out of this base targets \$47.50 and then new highs above \$51. The \$18.8B company trades 10.2X earnings, 0.88X book and 26.45X cash with a 3.6% yield. CFG has been on an acquisition binge recently agreeing in July to buy Investors Bancorp for \$3.5B and follows on the heels of their deal to buy the East Coast branches and online deposit business of HSBC. The two complementary deals will give CFG more than \$215B in assets and a much wider footprint which will allow them to better compete for some of the North East US more affluent customers. They also will add to their small-and-mid size business exposure. CFG expects the deals to improve ROTCE by 120 bps and boost EPS by high-single digits. Analysts have an average target for shares of \$48 with a Street High \$57. KBW with an Outperform rating for shares and citing a compelling transformational and restructuring story expected to drive improved shareholder value. RBC positive in April noting that shares can close the valuation gap to peers as credit quality improves and concerns over an economic downturn abate. Hedge fund ownership fell 13% last quarter.

Hawk Vision:



Hawk's Perspective: CFG is not a flashy name but sets up well against the 200-MA and plenty of longer-term upside as they integrate their recent deals

Confidence Ranking: \$\$



FEATURED OPTIONS RADAR REPORT



Retailer Taps Expanding Markets for Growth and Bulls See Return to 52-Week Highs

Ticker/Price: ELY (\$31)

Analysis:

Callaway (ELY) with 7,500 October \$31/\$35 call spreads bought on 9/16 for \$1.30, adjusting some September calls and seeing further upside as shares work out of a base this week. ELY had buyers on 9/15 in the October \$30 calls over 1725X while the October \$29 calls bought 3000X on 8/18 and the January \$27 puts sold to open 1500X on 9/7. In May, the January 2023 \$35 calls were bought 3000X while the January 2023 \$30 calls remain in OI over 7000X from buyers in January, both priced around where they opened earlier this year. Shares ripped this week off the low-end of monthly value and out of a base and above \$32.50 can clear a downtrend from the May highs. The longer-term trend remains positive and bullish wedge measures out to \$50 on a breakout to new highs. The \$5.76B company trades 75X earnings, 2.4X sales, and 27X FCF with mid-single digit growth. ELY recently raised guidance above consensus for both Q3 and the FY and announced their highest ever monthly US golf ball share in July with 20% of the market. The company is benefitting from a surge of new entrants into the sport especially around junior clubs and women's clubs. TopGolf continues to exceed expectations as well and Q2 the first with the company fully integrated. They see domestic venue expansion in 2022 as a key driver while UK venues will reopen as well. ELY sees the long-term impact of the deal helping them grow their TAM with digital games and experiences tapping into the emerging demand for new cohorts. TopGolf also helps with brand awareness and creates a complementary effect on both businesses. Analysts have an average target for shares of \$36.50 with a Street High \$44. Truist raising estimates in June noting that retail checks into Golf-related sales reflect incrementally more positive sentiment on demand, with expanding addressable supporting industry growth for years to come. Callaway is the firm's preferred name given the company's long-term growth profile and deeper reach with younger and less-seasoned golfers. Hedge fund ownership rose marginally last quarter, Driehaus a new buyer of stock. Short interest is 7%.

Hawk Vision:



Hawk's Perspective: ELY remains the best way to play emerging popularity in the sport which is seeing its TAM grow while TopGolf has a strong longer-term growth profile with new audiences

Confidence Ranking: \$\$

Additional Options Flow

Market/ETFs

S&P (SPY) buyers active for 16,000 December \$440 puts this morning near \$14.22 for over \$20M, look to be rolling September \$442. **SPY** also with 2750 February \$448 calls opening into morning lows \$16.93 to \$16.99 for \$4.7M

Ark Innovation (ARKK) buyers active in October \$119 puts 2500X this morning \$4.45 to \$4.55, bounce rejected at 8-MA today

Natural Gas (UNG) opening sale 5000 January \$15 puts for \$1.76 into the afternoon drop

Gold Miners (GDX) with 20,140 January \$32 calls opening for \$1.57

Treasury (TLT) large trade midday sold 18,040 November \$142 puts to buy 18,040 of the \$150/\$159 call spreads

Airliner ETF (JETS) late day buys of 18,000 November \$23 calls for \$1.16

Consumer Goods

Beyond Meat (BYND) IV strong here with 2,950 October \$100 ITM calls bought \$12.90 to \$13.25 to open, has seen some longer-dated put sales recently

WalMart (WMT) block of 5000 November \$150 calls sold \$2.55 to open as September \$145 short calls adjust

Activision (ATVI) with 1000 December \$70 puts sold to buy the \$85/\$95 call spread. **ATVI** also with 375 May \$72.50 puts sold to open for \$5.45

Nio (NIO) opening seller 2500 May \$30 puts \$3.05

Camping World (CWH) with 2500 December \$25 ITM calls opening \$13.80 as September adjust

ARAMARK (ARMK) 3000 October \$30 puts sold to open \$0.38 to \$0.41 as September adjust

Kroger (KR) stock replacement sold 2750 March \$40 puts to open \$2.77

Guess (GES) buyer 1125 November \$21 calls \$2.10 off day lows

Tyson (TSN) sweep buyer 1000 January 2023 \$95 OTM calls at \$2.20

Consumer/Business Services

McDonalds (MCD) with 4000 of next week's \$245/\$240 bull risk reversals opening for \$1.25, nearing a weekly flag breakout. **MCD** with 750 November \$240 puts sold to open \$5.60

Foot Locker (FL) OTM call sweeps October \$55 for 2750X \$0.50 to \$0.55. **FL** with 7500 next week \$49 puts bought \$0.85 as the \$50 puts close 5000X for **NKE** earnings

Hilton (HLT) with 1175 October \$130 puts selling to open \$3.26

Wayfair (W) spreads open 2000 June 2022 / January 2023 \$320 call calendar spreads for \$17.44

Stitch Fix (SFI) buyers 2000 next week \$36/\$39 call spreads into its 9-21 earnings

Caesars (CZR) the October \$115/\$130 call spread bought 5000X for \$2.63

Expedia (EXPE) buyer 3500 October \$155/\$170 call spreads adjusts some Sep. 24th (W) calls. **EXPE** with 7000 January \$155 calls bought this afternoon \$12.35 to open

Farfetch (FTCH) sellers of 1800 April \$35 puts at \$3.55 bids

Charter (CHTR) large buy of 1500 January \$660 puts for \$12.35

Lyft (LYFT) with 1075 June 2022 \$55 calls sold to open \$7.25 bids

American Eagle (AEO) with 7500 October \$27 calls bought for \$1.09 as 10K next week \$27.5 calls adjust

Avis (CAR) fading after 3000 November \$90/\$80 put spreads bought for \$3.33

Macy (M) buyer 1300 March \$17 puts \$1.25

Best Buy (BBY) sweep buys 650 January 2023 \$145 calls at \$5.35 offer

Floor and Decor (FND) with 300 January \$115 calls opening ITM \$18.80 to \$18.90, name in a very strong uptrend

Energy

Conoco (COP) into weakness with 2,656 November \$57.5 puts sold to open \$2.89. **COP** Oct \$57.50 puts with opening sellers as well 2250X. **COP** also 1500 November \$57.50 calls bought \$4.05 into afternoon lows

BP PLC (BP) opening sale 1500 January 2023 \$22 puts for \$3.65

Pioneer (PXD) opening seller 500 November \$145 puts \$4.63

Philips 66 (PSX) buyer 1000 November \$70 calls \$2.10 offer

Petrobras (PBR) opening sellers 4000 April \$10 calls \$1.01 bid

Financials

Barclays (BCS) with 10,000 October \$10 calls opening \$0.50 as September adjust out a month

Lending Club (LC) with 1000 April \$20 calls opening \$9.80 to \$10 as January 2023 \$15 adjust

American Express (AXP) opening sale 2500 November \$160 puts at \$6.45, nice rounded base forming

Coinbase (COIN) buyers today of 450 September 2022 \$260 calls \$46.75 for around \$2M

Rocket (RKT) opening sale 7000 October \$16 puts \$0.41 as September short puts adjust

Moneygram (MGI) January 2023 calls active with 2400 of the \$10 calls bought and sales across the \$15, \$17, and \$22 strikes. MGI has received acquisition interest from Stellar Development and Advent International, Bloomberg reported in July. MGI pulled back to trend support and working on a nice weekly bull reversal engulfing candle.

PagSeguro (PAGS) spread sold 2300 November \$55 puts at \$3.80, 2300 November \$47.5 puts at \$1.20 and sold the \$65 calls 2300X at \$1.25

CME Group (CME) buyer 750 January 2023 \$120 puts \$4.60 offer sweeps

Healthcare

Mirati Therapeutics (MRTX) with 2,000 October \$170/\$210 call spreads bought for \$12.50 into their data on Monday, follows 1000 of the Oct. \$170 calls adding yesterday.

Boston Scientific (BSX) buyer 3000 October \$48 calls for \$0.31 to \$0.35, Investor Day next week

Zimmer Bio (ZBH) with 1155 November \$150 calls opening for \$4, been a laggard ahead of its planned spin-off company for the Spine and Dental businesses.

Pavmed (PAVM) nice set-up and an interesting small cap med-tech seeing unusual 1000 March \$10 calls bought \$1.45 offer

Abcellera (ABCL) big fade off the opening strength seeing a large spread today sell 3000 January \$27 calls and buy 2500 of the \$17.50 puts

Willis Tower (WLTW) stock replacement buys 2600 October \$240 calls for \$2.40

Novartis (NVS) buyers of 2500 April \$85 calls \$3.50 offer

ICU Medical (ICUI) buyer of 1400 October \$210 calls \$32.10 as September \$195 adjusts, also sells 850 of the October \$220 puts to open \$2.60

Editas (EDIT) buyers of 2500 October \$50/\$30 put spreads tied to stock

United Therapeutic (UTHR) with 1000 October \$200 puts opening at \$7, adjusts 750 September \$200 short puts, so with shares near \$200 seeing little downside.

Industrials

Otis (OTIS) with 4250 October \$90 calls bought \$0.55 to \$0.60 into weakness. **OTIS** also 1500 November \$85 puts selling to open \$2.95 into weakness

DR Horton (DHI) buyer of 1700 January 2023 \$80 puts to open \$8.51

Toll Brothers (TOL) with 1180 March \$65 calls sold to open for \$5.10

Arrival (ARVL) strength today with 4000 October \$15 calls bought earlier \$0.45 to \$0.60 causing a pop in shares

3M (MMM) rising to day highs as 5000 October \$175 puts open \$2.14 in a sale

Materials

Cameco (CCJ) with 4000 November \$21/\$17 put spreads bought as Metals are under pressure

US Steel (X) buyer 5000 November \$19 puts \$0.54. **X** a stock replacement is also selling 2500 December \$21 puts for \$1.40. **X** also seeing 5000 November \$29 calls bought earlier this week adjust back to the \$28 strike. **X** block of 4000 June 2022 \$18 puts sold to open \$1.79

Constellium (CSTM) with 6250 October 29th (W) \$18 puts sold to open this morning for \$0.65/\$0.60 into weakness, earnings expected around 10-27

Pan American Silver (PAAS) opening seller 1000 January 2023 \$23 puts \$4.15 bid into weakness

SSR Mining (SSRM) opening sales 1775 November \$15 puts for \$1

Lyondell (LYB) jumped off day lows as 2000 January \$100 calls were bought \$3.40, look to add to current 2,080 in OI. LYB is reportedly mulling options for its refining business. **LYB** also with 1100 January \$90 ITM calls sold to open \$7.80

Steel Dynamics (STLD) buyer 2000 January \$80 OTM calls aggressive at \$1.15 offer into day lows

Linde (LIN) opening sale 200 June \$320 puts for \$31.40, been one of the stronger Chemical names all year and much stronger than closest peer APD

Tech

Monday.com (MNDY) buyer of 205 October \$380 puts for \$29.90 to open

Palantir (PLTR) buyers 10000 October \$29 puts up to \$1.62. **PLTR** also a stock replacement sold 4900 February \$25 puts \$1.97 to open

LAM (LRCX) buyers of 1000 January \$600 calls for \$53.50 to \$55.50, nice consolidation forming above its 200-MA

Digital Turbine (APPS) buyers of 1,950 October \$70 calls this morning up to \$2.75, flagging below its 200-day MA

Western Digital (WDC) unusual buy 5000 December \$80 OTM calls for \$0.60 offer, been struggling lately

Analog Devices (ADI) buyers of 2,500 October \$170 puts up to \$4.20 to open this morning

Cisco (CSCO) into weakness with 2370 November \$55 calls bought and also 1500 of the \$57.5 calls sold in a buy-write

Nvidia (NVDA) sweep buyer 1500 December \$205 puts \$9.15 offer. **NVDA** also with 1000 March \$202.50 puts bought \$14.80 offer

CrowdStrike (CRWD) block of 3750 October \$300 calls sold to open \$1.30

Roku (ROKU) opening sale 5000 December \$325 straddles for \$60.20

Switch (SWCH) with 3250 February \$27 calls opening \$1.90 as short November \$21 calls adjust

Atlassian (TEAM) seeing December \$430 calls close 1300X and November \$430/\$370 bear risk reversals open 1100X

Anaplan (PLAN) coiled since the big earnings move with 2000 October \$65 puts selling to open \$2.40 to \$2.50 and 5000 of the \$70 calls bought \$0.85 to \$0.95

Veeva (VEEV) with 1090 March \$350 calls selling to open \$9.60

Intuit (INTU) seeing 1100 November \$590 calls sell to buy the November \$540 puts, similar to **TEAM** spreads as growth stocks face some headwinds if yields keep rising

Chegg (CHGG) block of 1585 January 2023 \$110 calls opened for \$6

Cognizant (CTSH) buyer 1000 January 2023 \$47.50 puts for \$2.15

Datadog (DDOG) with 1125 January 2024 \$170 calls opening \$29.40 as the January 2023 \$160 calls adjust

Salesforce (CRM) October 22nd (W) \$250/\$270 call ratio spreads active 1450X2900

Telecom/Utilities

NextEra (NEE) opening sale 3000 November \$90 calls for \$0.65. **NEE** also with 1200 June \$70 puts selling to open \$2.60

First Energy (FE) with 5950 October \$40 synthetic shorts opening as September puts adjust

Iridium (IRDM) higher this afternoon off its rising 21-MA with Dec. \$50 calls seeing some unusual action 1750X \$1.70 to \$1.80

Disclaimer:

Not Investment Advice or Recommendation

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