



**Sector Leaders**

Energy

Utilities

Financials

**Stock Gainers**

BIGC 8%

UNM 7.5%

LNC 6.2%

COTY 6%

PK 6%

ALLY 5.5%

CVAC 5%

**Volatility Gainers**

- GNW
- ANF
- DB
- DAL
- NVTA
- MYOV
- WBT

**High Call Volume**

- GBT
- GOGO
- DOMO
- HQY
- ZUO
- UN
- LYB
- SPWH

**Bullish Options**

- CARS
- LYB
- DOW
- NLS
- COMM
- JD
- GM
- PINS

**Market Review:** Global markets were mixed overnight with Europe rebounding a bit into the US open as talks of stimulus boosted sentiment again. It was a quiet overnight for news without much progress on the stimulus front while both Trump and Biden hit the campaign trail again today. Non-farm payrolls came in a little light while unemployment fell to 8.4% vs 9.8% estimates. The tech sell-off remained the story early with weakness again across high-growth names in early trading and the Nasdaq down around 5% at one point in the morning. There's no single catalyst for the selling (tech earnings on Wed/Thurs weren't great but not a broader indicator for the sector while the China semiconductor news isn't incremental either). Overall, seems like a technical/mechanical rally that got overstretched and the unwind taking us back near the 50-day and top of August value quickly. We saw a strong bounce mid-day into the close. The VIX surged again early back above 38 but faded all morning back to basically flat in the afternoon. The value trade opened higher but faded again. S&P futures traded down below that 21-day MA while the 8-day is now sloping downward, cautious signs even if we do get a bounce next week. And, a fair reminder, NYSE Summation has been below its 8-EMA since 8/20 and remains there, so a more cautious approach the better.

**S&P Chart:**



Resistance	Support
3,600	3,440
3,650	3,520
3,710	3,537

**Options Action Trends:** We saw bullish spreads selling puts to buy call spreads in two chemicals names DOW and LYB while DD also saw a large call spread bought to open. There were bull spreads in travel-related names SABR and HST in the afternoon selling longer-dated puts to buy call spreads.

**What's On Tap:** Markets closed on Monday for Labor Day. **Earnings next week of note** include CASY, COUP, LULU, WORK, AEO, GIII, HDS, LOV, NAV, AVAV, RH, ZS, CHWY, PTON, KR. **Other items to watch** for the month include ECB decision (9/10), Trump Town Hall on ABC (9/15), Fed Decision (9/16), Powell Testimony (9/22), First Presidential Debate (9/29)

**Trade Tracker Portfolio Changes:**

- 1) None

**Sector Laggards**

Tech

Communications

Materials

**Stock Losers**

NVAX -13.4%

DOCU -12.2%

BE -11.5%

MESO -11%

OSTK -10%

NVTA -8.9%

COUP -8.4%

**Volatility Losers**

- CGC
- CRON
- DOMO
- DOCU
- SWBI
- MDLA
- YEXT

**High Put Volume**

- TRGP
- AXTA
- GOGO
- UIS
- YELP
- SWCH
- PLT
- UBS

**Bearish Options**

- FVRR
- TEAM
- CMG
- LVS
- NET
- TRGP
- LYV
- GOGO



## FEATURED OPTIONS RADAR REPORT



### Global Payments Bull Targets Breakout

Ticker/Price: GPN \$172

#### Analysis:

**Global Payments (GPN)** with 1,000 December \$195 calls bought on 9/3 for \$7 and follows sellers of 8500 September \$160 puts recently and bullish spreads that sold the December \$150 puts to buy the \$180/\$200 call spread 3000X. GPN also has size in the November \$185/\$155 bull risk reversal from mid-August. Shares traded back to the high-end of a multi-month range earlier this week at \$185 and yesterday's pullback testing the rising 8-EMA. A move higher targets \$220 and above the February highs. The \$52.25B company trades 22.2X earnings, 7.8X sales, and 33X FCF with mid-teens growth. GPN is a leader in software solutions for card, e-payments and check processing with a big focus on merchant solutions. GPN has a strong cash balance and continuing to forecast around \$400M in additional synergies from the TSYS deal over the next year. They noted last quarter a big pull-forward in digital solutions from merchants while a rebound in consumer spending has been a tailwind. They continue to see opportunity to partner with global banks outside of the US for issuer processing solutions and a recent deal with AWS likely catalyzes that potential. GPN also said in August they're continuing to aggressively look at ways to enhance their scale and capabilities across payments tech and software, so may see a deal in the Fall. Analysts have an average target for shares of \$200 with Truist at a Street High \$235. Bernstein starting at Outperform on 8/19 and JPM positive on 8/17 noting that while the firm still likes the "digital winners" given the macro uncertainty surrounding the pandemic, stimulus, and U.S. elections, they prefer proven scale players into the 2H like GPN. Short interest is 1.2% and near multi-year lows. Hedge fund ownership rose 7% in Q2, Egerton Capital, Samlyn, and DE Shaw buyers. In March, insiders were active buying stock around \$165.

#### Hawk Vision:



**Hawk's Perspective:** GPN has been a laggard simply by its lack of movement while other more exciting fintech names have done great but I like the story w/ growth in partnerships, scale, and merger synergies while the chart gives a clear level to shoot against for a strong risk/reward

**Confidence Ranking:** \$\$



## FEATURED OPTIONS RADAR REPORT



### LyondellBasell Draws Bull Spreads into Year-End

**Ticker/Price:** LYB \$72

#### Analysis:

**LyondellBasell (LYB)** seeing the December \$60 puts sold to buy the \$75/\$85 call spread 2400X and follows buyers in the March \$80 calls recently and sellers in the January 2022 \$70 puts for more than \$1M on 8/18. Shares are consolidating in a nice multi-week bull flag under \$75 and a continuation of the move off the March lows targets \$90. YTD value area high is above at \$76.50 as well and can spark a trend rally higher. The \$23.78B company trades 9.8X earnings, 0.8X sales, and 7.4X cash with a healthy 6% yield. LYB is a leading producer of polyolefins and olefins and other propylene oxides and derivatives for use in plastics and other compounds. They also refine crude oil into gasoline. LYB sees a path to significant EPS and revenue appreciation through FY22 as they have fully integrated their Schulman deal which nearly doubled their compounding business and gives them exposure into high-margin areas like automotive, construction materials, electronics, and packaging. Analysts have an average target for shares of \$71. Citi putting the company on a positive 60-day catalyst watch yesterday as they expect near-term polypropylene price momentum to be supported by storm-related supply disruptions and an already tight market prior to Hurricane Laura. Higher polypropylene prices should drop through to margins given the hikes are supply/demand driven. LYB insiders have been active buying stock lately including a \$234K buy in May at \$53.28, a more than \$225K buy in April by the CEO who also bought \$473K in stock in March. Hedge fund ownership fell 5.9% in Q2

#### Hawk Vision:



**Hawk's Perspective:** LYB sets up well on the chart think Hurricane Laura/Marco won't be the last to impact the region this year, so could see the pricing/supply story re-emerge

**Confidence Ranking:** \$\$

# ***Additional Options Flow***

## **Market/ETFs**

**Biotech (XBI)** the October \$92 puts bought 15,000X for \$2.71, adjusting down some \$100 puts

**S&P 500 (SPY)** with the December 31st (Q) \$420/\$435 call spread bought 14,000X/28,000 today for a small net credit

**Brazil (EWZ)** with 7500 November \$28 puts sold to open today down to \$1.54

**Software (IGV)** buyer of 2,590 September \$290 puts for \$7, adjusting down some October \$205 puts

**Gold Miners (GDX)** bull spread today sells the December \$34 puts to buy the \$40/\$45 call spread over 10,500X for \$0.14

**Russell 2000 (IWM)** with the December 31st (Q) \$143/\$120 put spread bought 4000X today for \$4.91

**Healthcare (XLV)** buyer of the October \$99/\$90 put spreads 2500X for \$1.30, may see some pressure with the Presidential debates kicking off and pricing likely a big issue

## **Consumer Discretionary/Services**

**L Brands (LB)** with 1,000 January \$27.50 puts bought for \$3.55 with stock

**TAL Education (TAL)** seeing IV drop today with the November \$72.50 puts sold to open 990X for \$7.10 to \$6.90

**Six Flags (SIX)** opening buyers of 1,000 January \$30 calls for \$1.30 to \$1.45

**Peloton (PTON)** buyers of 2,000 April \$90 calls today for \$16.50 ahead of earnings on 9-10

**Las Vegas Sands (LVS)** the December \$40 puts bought for \$1.55 to \$1.56 today, over 3000X

**Yum China (YUMC)** buyers of 1,400 October \$55 calls for \$2.40 to \$2.60 and follows the earlier Sept. put sales

**Penn National (PENN)** with 2,500 October \$50 puts sold to open for \$5.05 to \$5.00 into weakness

**Marriott (MAR)** spread buys 2,000 November \$115 calls for \$7.05 and spread with 1,000 November \$130 calls that open \$3.39

**Activision (ATVI)** buyer of 1,000 October \$80/\$90 call spreads today for \$2.75, may be adjusting back in strikes

**Live Nation (LYV)** opening buyer of 1,400 October \$52.50 puts for \$2.52

**Purple Innovations (PRPL)** the September \$17.50 calls bought 3,000X for \$1.30, adjusting back the \$20 calls

**Nautilus (NLS)** with 1,000 December \$15 calls bought \$3.70 to \$3.80 today, follows buyers in the Sept and October calls earlier this week, riding the home-fitness trend well

**Host Hotels (HST)** spread this afternoon sells the April \$10 puts to buy the \$12/\$15 call spread 14,000X for a small credit

## **Consumer Goods**

**Unilever (UN)** buyers opening 1,000 February \$60 calls for \$2.55 to \$3 today, talk of a potential split of the company

## **Energy**

**Occidental (OXY)** with 4,000 October \$11 puts sold to open today

**Exxon (XOM)** seller of 3,500 June \$32.50 puts for \$2.77 in a stock replacement

**Targa (TRGP)** with 13,000 September \$15 puts bought for \$0.70, rolling down the \$17 puts bought recently

**Enphase (ENPH)** buyer of 1,500 October \$85 call for \$2.16

### Financials

**Rocket Co (RKT)** buyers of more than 5,500 December \$20 puts today for \$3.30, tied to long stock

**Ally Financial (ALLY)** the October \$25 calls bought for \$1.80 here, 3650X

**Mr Cooper (COOP)** the December \$17.50 puts sold to open today 1000X down to \$2

**Fiserv (FISV)** spread today buys 500 January \$110 calls for \$5.05 and sells the November \$80 puts 1,000X for \$1.80

**Equity Lifestyle Properties (ELS)** with 1,500 October \$55 puts sold to open \$2.55 today

**Virtu Financial (VIRT)** buyers of 1,000 March \$35 calls for \$1.20 today, could see a pickup with more volatility much like in March

**Equity Residential (EQR)** with 1,000 January \$55 puts bought \$4.70 with stock

**Vornado (VNO)** with 1000 March \$40 calls sold for \$3.70 in a buy-write today

**Visa (V)** buyers of 750 September 25th (W) \$200 puts for \$3.00 to \$3.20 early

**Fidelity National (FNF)** buyers of 1500 September \$32 calls for \$1.75 to \$2

### Healthcare

**Baxter (BAX)** opening sale of 1000 October 9th (W) \$77 puts for \$1.10

**Zogenix (ZGNX)** buyers of 1000 September \$25 calls for \$1.35 to \$1.70

**Novartis (NVS)** buyers of the October \$95 calls today, over 3650X for \$0.35 to \$0.40

### Industrials

**Delta (DAL)** with 1500 October \$39 calls bought \$1.19 as the Sept. calls roll. **Delta (DAL)** buyers of 4,000 December \$32 calls up to \$4.84

**General Motors (GM)** buyers of 1,000 ITM October \$27 calls today around \$4.00 to \$4.10. **GM** also with 6,000 October \$31/\$36 call spreads bought today for \$1.30

**Thor (THO)** seller of 1,000 September \$77.50 puts buys the \$90/\$95 call spread for a net \$1.10

**Southwest (LUV)** another 4,000 December \$40 calls bought today up to \$5.03, continued buying out into year-end for the name

### Materials

**Dow Chemical (DOW)** more bullish spreads today selling the November \$40 puts to buy the \$52.50/\$60 call spread 3575X

**Equinox (EQX)** with 1000 January \$12.50 puts sold to open \$1.95 to \$2

**Axalta (AXTA)** opening sale of 4,250 October \$22 puts for \$0.63, long been an M&A potential name

**DuPont (DD)** the October \$60/\$67.50 call spread bought 10,000X16,000 this afternoon

### Tech and Telecom

**Sabre (SABR)** bull spread here sells 3,500 April \$5 puts to buy the \$10/\$15 call spread for no cost

**DocuSign (DOCU)** opening sales of 2,500 March \$120 puts for \$5.55 to \$5.50, shares holding the 50-MA today

**Uber (UBER)** bull spreads again today are selling the January \$27 puts for \$2.08 to \$2.04, 13,000X, and buys 5,000 January \$32 calls around \$5.08, same structure multiple times this week

**Crowd-Strike (CRWD)** with over 2400 June 2021 \$95 puts sold today from \$13.95 to \$12.85

**Upland Software (UPLD)** with 1,000 January \$25 puts sold for \$1.45 to open today, recent January call spreads bought as well

**T-Mobile (TMUS)** buyer of 2,500 November \$140 calls today for \$1, a bit of a gap fill here back to the 50-day around \$110 this week. **TMUS** also with 1000 September \$112 puts sold to open today for \$2.09

**Fiverr (FVRR)** buyer of the September \$100/\$85 put spread 1305X for \$4.35

**Facebook (FB)** buyers of 2,000 September 2022 \$440 calls for \$25.75 this morning, over \$5M

**Salesforce (CRM)** with 1,000 December \$260/\$310 call spreads bought today for \$15.05

**Pinterest (PINS)** IV climbing with more buyers in the November \$35 calls, over 7500X look to be adding for \$5.30. **PINS** the November \$43 calls also active with buyers, over 3000 starting around \$2.75 earlier. **PINS** buyer of the December \$35 calls here 8400X for \$5.82 as the November \$40 calls adjust

**Atlassian (TEAM)** with 1,350 October \$165 puts opening for \$8.90, adjusting down the \$180 puts opened recently

**Cloudflare (NET)** with 1,500 November \$35 calls sold to open for \$4.20 to \$4.00. **NET** also seeing 2,000 October \$37 puts bought earlier this week roll down to open the \$33 puts for \$3.10

**Netflix (NFLX)** with 5,000 ITM January \$390 calls opening \$127.50, shares right into the 50-MA today. **NFLX** also the January \$520/\$630 call spread being bought 1500X

**Trade Desk (TTD)** with 5,000 January \$330 calls bought \$121 to open

**Datadog (DDOG)** buyer of 12,600 November \$80 calls for \$10.20, adjusting back the \$85 calls

**Expedia (EXPE)** another 2,500 January \$100 puts sold to open today for \$13.25 to \$13, looks to be adding to a spot where 5000 sold to open back in November 2019

**Gogo Wireless (GOGO)** with 4,400 October \$9 puts bought \$1.45 to \$1.60 to open into strength

**Adobe Systems (ADBE)** the October \$500/\$600 call spread being bought 1,000X to open into weakness today, paying \$30.37, earnings on 9-15. **ADBE** also seeing the December \$500/\$600 call spread bought 1250X today for \$33.45

**Yelp (YELP)** opening sale of 1,500 November \$18 puts for \$1.05

**Slack (WORK)** buyers of 2,500 ITM September 11th (W) \$32 puts for \$3.95 int earnings on 9-8

**Nvidia (NVDA)** over 1,200 December \$500 calls being bought this morning from \$79.30 to \$86.50

**Commscope (COMM)** more bull flows today as 3,000 October \$11 calls bought up to \$0.70, follows 12,000 November \$11 calls bought recently

**Jd.com (JD)** with 8,250 October \$72.50 calls bought \$8.38 as some September calls adjust

### Utility

**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.