



Sector Leaders

Semis

Software

Retail

Stock Gainers

APLS 3.8%

SG 2%

SPR 2%

BA 2%

TGT 1.7%

KMB 1.6%

Volatility Gainers

- ARRY
- MORF
- ZION
- W
- ELF
- WOLF

High Call Volume

- URTY
- GXO
- NTLA
- CAG
-

Bullish Options

- BA
- CNK
- LEN
- META
- MS
- ELV
- HON
- AXP
- KR
- LULU
- WSO

Market Review: Stocks held firm overnight but sank back to 4300 pre-market as the USD and Yield surge continued as multiple headwinds pile up on markets with rates higher for longer and slowing global economic growth. Stocks staged an early rally but dipped back under 4300 after the JOLTS data. The S&P worked down to the lower one-year channel support while also near the 200-MA and 50% retracement. Just after Noon there were clusters of strong positive TICKs showing some buying interest as the USD faded off highs but the buying was unable to sustain and the trend-down day continued. Jobs and Services PMIs in focus the remainder of the week with earnings season near.

S&P Chart:



Resistance	Support
4335	4235
4425	4200
4500	4150

What's On Tap: ADP Employment Changes, ISM Services, Factory Orders, EIA Inventories; Eurozone Services PMIs, ECB Lagarde Speaks, Australia Trade Balance; Earnings from HELE, RPM; Costco (COST) Comps

Options Action Trends: Banks BAC, WFC, MS each saw size call buys looking for a relief rally at extreme oversold levels.

Trade Tracker Portfolio Changes:

- **Spotlight:** Long INTC November \$35 Calls \$2.40

Sector Laggards

Utility

Solar

Metals

Stock Losers

WOLF -10%

ELF -9%

AFRM -9%

W -8%

ARRY -8%

KVYO -7%

Volatility Losers

- MKC
-

High Put Volume

- BNS
- AER
- RY
- PAA
- BMBL
- JBL

Bearish Options

- TH
- AVXL
- PENN
- MASI
- NET
- CMA
- WBD
- ARRY
- FRPT
- WSM
- ZIM
- MNST
- SAP



FEATURED OPTIONS RADAR



Put Sellers See Value in Beneficiary of AI Workloads

Ticker/Price: DDOG (\$91.85)

Analysis:

Datadog (DDOG) is consistently seeing bullish options positioning including long-dated opening put sales that see little downside in shares. DDOG November \$75 puts have sold to open 5000X, the Jan. 2025 \$95 puts sold to open 1000X on 9/12, June \$75 puts sold to open 1000X on 9/25 and January 2025 \$92.5 puts sold to open 1000X on 9/20. DDOG also has large November \$90 short puts in open interest and 5000 October \$90 synthetic long positions that have rolled multiple times. DDOG put in a strong reversal candle last week right at the 200-MA and AVWAP off record highs as a key trade against level near \$85 for a best-in-class name. DDOG operates a leading monitoring and analytics platform for developers and IT teams which has become essential as more operations shift to the cloud.

Datadog takes full advantage of key themes consisting of the ongoing cloud migration, acceleration of digital transformation even in a post-pandemic world and leveraging the powers of artificial intelligence (AI)/machine learning (ML) automation in IT operations. Datadog presented a healthy TAM forecast of 10.3% CAGR to \$62 billion from 2021 to 2026E focusing only on the core observability while having an incremental opportunity in cloud security. DDOG has a \$29.85B market cap and trades 56.6X Earnings, 13.8X EV/Sales and revenues seen growing 22.9% in 2023 and 23.3% in 2024 while profitability continues to ramp ahead of expectations with FCF margins surpassing 21%. Management has spoke to its unique positioning for next-gen AI workloads, a likely upside driver in coming quarters. DDOG is in the early innings of gaining significant share in the cloud observability market. DDOG's main competitor, SPLK, recently was acquired by Cisco which could allow DDOG to take further share during the transition period. Analysts have an average target of \$105 with short interest at 4.3% of the float. Piper upgraded to Overweight this week with a \$115 target as the thesis around cloud headwinds weighing on upside has largely played out over the past few quarters with numbers being appropriately reset following last quarter's guide down. It sees broad signs of stabilization in infrastructure and DevOps software demand coupled with incremental opportunities around security and AI position DDOG to be a major beneficiary as things improve. Cowen started at Outperform with a \$120 target in August.

Hawk Vision:



Hawk's Perspective: DDOG remains a favorite name in all of software and is giving a clear level to be long against.

Confidence Ranking: \$\$

Additional Options Flow

Market/ETFs

Semiconductors (SMH) buyers active for 8250 January \$160 calls near \$4.25

Ultra Russell (URTY) buyer 3500 Oct. \$30/\$37 call spreads looking for a small cap rally, rarely see options action in this instrument

Treasury (TLT) diving after JOLTs seeing 16,000 Nov. \$85 puts bought \$1.78 with the \$90 puts adjust. **TLT** also seeing 3500 January 87 calls bought at \$3.80

Biotech (XBI) buyers 5500 January \$66 puts \$2.63, a group in trouble with high rates due to long duration and funding

Silver (SLV) buyer 10,000 Sep. 30th (Q) 2024 \$22/\$35 call spreads

Ark Genomics (ARKG) unusual buying of 4900 November \$29 calls for \$0.73 while a much larger trade opening 5000 Jan. 2025 \$38 puts up to \$12.50

Financials (XLF) with 20,000 January 2026 26/20 bull put spreads opening \$0.79 credit

Consumer Goods

Cinemark (CNK) over 5000 Oct. \$18 calls being bought 1.25 to 1.35

ConAgra (CAG) buyers 2475 Oct. \$27 calls \$0.65 offer into earnings this week

Monster (MNST) with 1000 November \$52.50 puts bought \$1.90 in offer sweeps

Kroger (KR) with 3000 January 2026 \$70 calls bought \$1.68

Lululemon (LULU) with 1000 January \$350 puts sold to open \$16.62

Tempur Pedic (TPX) spreads selling Oct. \$45 calls to buy the \$40/\$35 put spreads 3000X

Coca Cola (KO) buyer 1000 May \$55 puts 2.79 offer

Hershey (HSY) opening sale 3000 Oct. 205 calls for 1.15

Abercrombie (ANF) buyers of 5000 November \$55 puts up to \$2.75

Lamb Weston (LW) buyer 2450 January \$100 calls \$2.60 to \$2.65 into earnings

Under Armour (UAA) opening sale 2250 Sep. 2024 \$5 puts for 0.48

Ulta (ULTA) spread sold 500 Oct. \$370 puts to buy the \$400/\$430 ratio call spreads 500X1000

Signet (SIG) IV jumpy as 1800 Oct. \$70 puts buy \$2.43

Mondelez (MDLZ) buyer 1000 Nov. 70 calls \$1.18 for the beaten up best in class packaged goods name

Consumer/Business Services

Warner (WBD) with 22,335 Nov. 10th (W) \$9 puts bought 0.21 as Oct. 13th (W) 10.50 adjust

Target Hospitality (TH) now seeing buys of 2750 Oct. \$17.50 puts 1.95 offer into strength

Netflix (NFLX) buyer 1500 March \$450 calls \$20.25 to \$20.55, OI check as the current OI was sold to open back on 8/23 so these may be closing. **Netflix (NFLX)** with 1000 January \$485 calls sold to open \$7.70. **NFLX** 1200 March \$375 calls selling to open \$45.65 and lower

William Sonoma (WSM) large buy 1500 May \$140 puts for 10.75

Live Nation (LYV) with 600 January 2025 \$70 puts bought \$5.60

App Lovin (APP) under pressure with buyers 900 February 37.50 puts 4.30 offer

Carnival (CCL) with 1800 April \$13 calls bought up to \$2.12 offer

Burford (BUR) name that has traded on legal rulings seeing 900 Dec. \$12.50 calls bought \$3.30 and 1400 of the \$10 puts sold 0.90

Marriott (MAR) buyer of 5000 November 185/170 put spreads for \$3.65. **MAR** also buyer 1000 January \$190 puts \$10.60

Lowes (LOW) with 2500 November \$195 puts opening as Oct. spreads adjust

Pinduoduo (PDD) with 3000 March \$115 calls bought \$7.50 offer in a large block trade, name holding stronger than most. **PDD** also 500 April \$100 calls bought for \$14.95

Royal Caribbean (RCL) buyer 2425 June \$110 calls to open \$5.75

Wayfair (W) buyer 1000 April \$50 puts \$8.30 to \$8.50 as shares are weak and look headed to the 200-day

Avis (CAR) opening sale 750 Jan. 2025 \$115 puts for 12.25

Las Vegas Sands (LVS) buyer 28,000 Dec. \$45 calls \$3.10 adjusts the \$50 calls

Energy

Array (ARRY) with 2200 November 17.50 puts bought 0.75 to 0.95 offers

Scorpio (STNG) opening sales 1000 November \$50 puts down to \$2.40, name seeing some upside call spreads recently as well

Cheniere (LNG) opening seller 1200 Nov. 10th (W) \$150 puts for 1.86

Diamond Offshore (DO) ITM Jan. 2025 \$10 calls bought 840X for \$5.90

PBF SA (PBF) buyer 2000 November \$55/\$65 call spreads for \$1.15

SunRun (RUN) with 1500 December 2025 \$20 calls bought in a stock replacement for \$2.92

Schlumberger (SLB) with 600 Sep. 2024 \$50 puts sold to open \$4.05

Diamondback (FANG) with 2000 November \$155 calls sold to open 4.05. **FANG** also 1800 Dec. 160 calls sold to open 3.70

Range (RRC) late day rally with 3500 December \$32/\$28 bull risk reversals opening at \$0.85 debits

Financials

Schwab (SCHW) 1500 Jan. 2025 \$45 puts sold \$4.25 bid in stock replacement. **SCHW** buyer 5000 Nov. 3rd (W) \$52 straddles

Comerica (CMA) buyers of 1600 November \$40 puts \$3.10 offer

Morgan Stanley (MS) seeing 1500 November \$80 calls bought 2.67 to 2.80, also buyers in the \$82.5 calls

Global Payments (GPN) with 1250 November \$100 puts sold to open 1.20 to 1.15

Bank America (BAC) with 4000 May \$25 puts sold to open \$1.70 as Nov. 25 short puts adjust. **BAC** 3000 Oct. 26.50 calls bought 0.81 offer

American Express (AXP) ugly buy hitting 200-week EMA that has historically been supportive and 3000 Jan. 2026 \$240 calls buy \$6 for a long-term play

Ally (ALLY) buyer 2500 next week \$24.50 calls 1.05

Paypal (PYPL) opening sale 4650 Nov. 10th (W) \$48 puts 0.62

MetLife (MET) opening seller 1000 June \$65 puts for \$7.90

Affirm (AFRM) with 10,000 Oct. 18.5 puts bought 1.20 as Oct. 20 adjust

Capital One (COF) opening sale 1000 November 90 puts for 3.63

Visa (V) with 1500 November \$240 calls bought \$3.50, also 1000 Oct. \$225 calls bought \$7.45

Valley (VLY) buyers in January and March \$6 puts 5000X

Sofi (SOFI) with 20,000 November \$7 puts as large Oct. puts adjust

Grupo Financiero (GGAL) more April put buys today and now 11,000 January \$7.50 puts bought up to 0.65

Block (SQ) trade opens 3300 June \$70/\$32.5 bull risk reversals for a credit of \$1.39. **SQ** also seeing 2800 Jan. \$42.50 calls bought over \$1.4M and \$500K of Jan. \$45 calls bought late day here

Healthcare

Masimo (MASI) buyer 1000 October \$90 puts \$7.10

Elevance (ELV) opening sale 1100 June \$390 puts \$18.77 as the January \$410 adjust

Guardant (GH) buyer 500 April \$30 calls for \$5.20

Elanco (ELAN) with 3450 Oct. \$11 puts bought 0.60 offer

Moderna (MRNA) with 800 March \$95 puts bought \$9.60

Apellis (APLS) strong all day seeing Oct. \$40 calls bought 7000X late as the \$50 calls are sold

Danaher (DHR) late day actin seeing 2000 December \$240 calls with buyers along with 2000 of the \$260 calls

Replimmune (REPL) rallying with 6000 November \$17.50 calls bought \$4.60 to \$5, some spread bs. \$25 calls as a lot of positioning occurs into data

Industrials

Boeing (BA) weekly \$190 calls hot early 4000X w/ buyers. **Boeing (BA)** also early buyers 1550 November \$190/\$205 call spreads with shares oversold and the 2025 outlook report this morning. **BA** also 2,385 Dec. \$175 puts sell to open \$4.40

Lennar (LEN) buyer 1000 Oct. \$112 calls for \$2 into this multi-week fall

Zim Shipping (ZIM) with 5000 January 2025 7.50 puts bought 1.275 as Jan. 2024 12.50 puts adjust

Honeywell (HON) interesting bull trade with 2500 Oct. 27th (W) \$185 calls bought \$3.29 against a sale to open 1000 Oct. \$170 puts \$0.60 with earnings 10/26

Watsco (WSO) one of the stronger charts and 500 November \$380/\$420 call spreads bought \$14.40 positioning for earnings

Quanta (PWR) opening sale 750 Dec. \$175 puts for \$11.50, high quality name breaking down this week

Waste Connections (WCN) spread sells 1500 November \$120 puts at \$0.45 and buys the November \$135/\$145 call spreads 4000X

DR Horton (DHI) with 1365 November \$100 puts bought \$4.19 as Oct. \$106 puts adjust

Caterpillar (CAT) today with 750 December \$280 puts bought up to \$21

ZTO Express (ZTO) buy-write sells 1700 January 2025 \$30 calls 2.35

Union Pacific (UNP) buy-write sold 1000 Feb. 220 calls \$6.30

Cummins (CMI) buyer 500 December \$230/\$240 call spreads

General Electric (GE) stock replacement bought 500 January 2026 \$90 calls for \$35.45

American Air (AAL) buyer 5000 June \$11 puts for 1.07

Materials

BHP (BHP) buyer 1500 January 2025 \$75/\$45 strangles that lean bearish

Cliffs (CLF) buyer 2000 April \$15 puts for \$1.85+

DuPont (DD) block of 3500 January \$75 calls bought \$3.50 in stock replacement

Vale (VALE) buyers 2000 February \$12 calls \$1.70 to \$1.81

Alcoa (AA) with 1500 April \$25 puts bought up to \$2.63

Axalta (AXTA) buyers 2200 November \$28 calls for 0.70 offer, always in M&A rumors

Nutrien (NTR) with 7000 November \$52.50 puts sold to open \$1.01 as weekly \$58 adjust

Tech

Cloudflare (NET) buyer 1000 Oct. 27th (W) \$60 puts \$3.07. **NET** 1000 Oct. 58 puts sold to open 2.28

Meta (META) buyer 2000 January 2025 300/400 call spreads for \$36

SAP AG (SAP) buyer 1500 Oct. \$125 puts into 10-18 earnings for \$2.45 to \$2.75

Amazon (AMZN) buyer 2500 December \$100 calls \$28.38 in a synthetic long. **Amazon (AMZN)** large stock buy collars with January 2025 \$195/\$100 at a cost of 2.70

Bill (BILL) buyer 300 February \$100 puts \$11.60

Super Micro (SMCI) with 350 March \$270 puts bought near \$41.50 for over \$1.4M

Twilio (TWLO) opening sales 3500 November \$45 puts for 0.78

NXP Semi (NXPI) block of 1500 January \$195 calls sold to open at \$16.80

Advanced Micro (AMD) size buys of 6500 Oct. 27th (W) \$98 puts \$3.40 to \$3.50

Intuit (INTU) block of 500 January \$500 puts sells to open \$27.70, recent bullish Investor Day with AI opportunity ahead

Taiwan Semi (TSM) buyer 19,000 November \$80 calls for \$7.95 as the \$90 calls adjust back, sitting on its 200-week

Monday (MNDY) buyer 500 June \$210 calls \$12.80 in a stock replacement

Google (GOOG) opening sale 1000 Sep. 2024 \$120 puts 7.95

IBM size buy 1725 December \$140 puts to open \$5.65

Communications/Utilities

Next Era (NEE) a top utility crushed recently seeing 3000 Jan. 2025 \$55 puts sell to open today \$7.95

American Tower (AMT) buyer of 1000 January \$150 ITM calls for \$15

Disclaimer:

Not Investment Advice or Recommendation

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