



Sector Leaders

Software

Internet

Semis

Stock Gainers

- MRNA 20%
- PINS 10%
- NFE 9.5%
- DOCU 6.5%
- GLOB 6.5%
- DDOG 6.5%

Volatility Gainers

- -

High Call Volume

- IFF
- YOU
- IGV
- XPO
- CTSH
- ARKG

Bullish Options

- GOLD
- FIS
- UAL
- EMR
- XPO
- COST
- IFF
- MRVL
- PINS
- MGM
- LAC
- QTRX
-

Market Review: Stocks were strong overnight and then ripped to new highs of this move following November CPI coming in weaker than expected. We faded almost immediately following the open after some early hysteria and still have the Fed Meeting to get past this week as well as the ECB. Long-duration stocks surged on the idea of slowing rate hikes. Tech led the strength followed by Housing and Solar. Banks lagged the move and were the first group red. The fade continues with the market now more focused on the 2023 earnings recession and less-so on inflation. The ugly fade is causing some nasty candles on the daily and now head into the Fed Meeting to see how weekly candles shape up. The SPY high came right at VWAP off the 2021 highs once again so closing above that level needed to fuel an extended bull trend, otherwise the risk of fading back inside the channel.

S&P Chart:



| Resistance | Support |
|------------|---------|
| 4100 | 3920 |
| 4155 | 3900 |
| 4300 | 3780 |

Options Action Trends: Flows were mixed with some good action on both sides and no real sector-based trends, still cautious positioning ahead of the Fed.

What's On Tap: FOMC Rate Statement and Press Conference; Eurozone Industrial Production; Earnings from LEN, NDSN, TCOM; Analyst Meetings at SJM, MKSI

Trade Tracker Portfolio Changes:

- 1) Closed **AMAT** Call Spreads \$5 (Opened \$3.50)

Sector Laggards

Banks

Retail

Utility

Stock Losers

- UAL -6%
- TRMB -5.5%
- LPLA -4.7%
- HQY -4.6%
- DKS -4.5%
- DAL -4%

Volatility Losers

- CDNS
- TWLO
- ALLY
- SHOP
- FANG
- PTON

High Put Volume

- ONEM
- CMC
- XRX
- RSP
- CDNS
- MANU

Bearish Options

- T
- PFE
- F
- PAAS
- BLK
- SBUX
- X
- SPWR
- BHP
- CSCO
- BX



FEATURED OPTIONS RADAR REPORT



Bulls in Natural Gas Producer with Strong Capital Returns

Ticker/Price: RRC (\$26.50)

Analysis:

Range Resources (RRC) with 7500 March \$30 calls in open interest from buyers since 11/22 and positions are down around 60% with the recent sell-off in Energy while 10,000 January \$30 long calls also sit in open interest. RRC has also seen recent buyers in March \$26 and \$28 calls for 1500X each. RRC has put in a few lower highs on the weekly chart but shares back to key support near \$24 as a potential nice risk/reward versus \$23. RRC is a Fort Worth, Texas-based independent natural gas, NGLs and oil company, engaged in the exploration, development and acquisition of natural gas and oil properties with a principal area of operation is the Marcellus Shale in Pennsylvania. Its production is approximately 70% natural gas and is closely tied to prices. RRC has a \$6B market cap and trades 4X EBITDA with a 23% FCF yield and 1.27% dividend yield. Nat gas prices have weakened on mild weather and robust inventory builds. If weather remains mild it would set up for oversupply for much of 2023. Analysts have an average target of \$37.50 with short interest at 4.3% of the float. SIG upgraded shares to Positive with a \$38 target on 10.26 on record free cash flow and tripling its buyback to \$1.5B while starting a vase dividend. RRC is also seen increasing capital returns as it reaches its debt target in early 2023. Stifel started RRC at Buy in October with a \$32 target with its commanding 400,000 Marcellus and Utica shale acreage.

Hawk Vision:



Hawk's Perspective: RRC March \$30 calls now at \$2 look cheap for a potential Nat Gas rebound and with company-specific catalysts, a name buying back nearly 30% of its market cap and generating significant FCF.

Confidence Ranking: \$\$



FEATURED OPTIONS RADAR REPORT



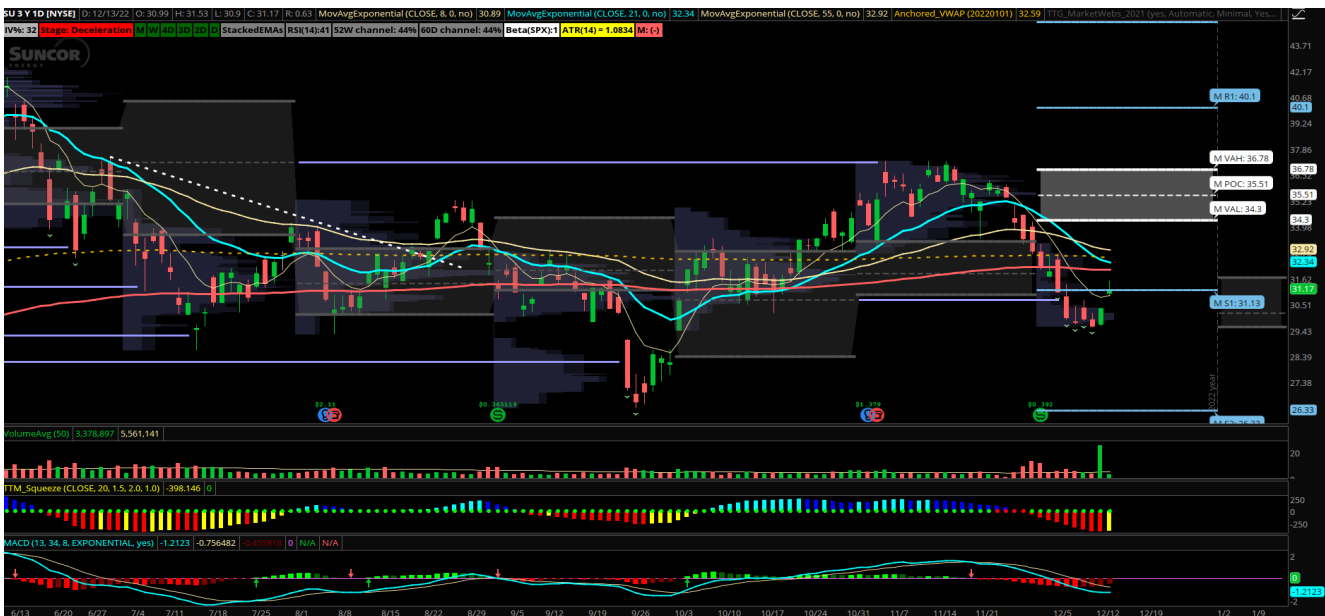
Canadian Oil Sands Leader Sees Massive Call Buyer into Dip

Ticker/Price: SU (\$31.18)

Analysis:

Suncor (SU) on 12/12 saw a massive buy for 11,500 October \$35 calls for \$2.85 or about \$3.4M in call premium bought looking for a rebound into next year and continuation rally. Also, this followed an opening put sale on 12/6 for 1000 January \$34 ITM puts at \$4.00. SU has had some longer dated call buyers also in March \$40 calls and Jan 2024 \$32 calls back in September continue to hold although underwater from entry prices. The Jan 2024 \$37 calls bought over 7000x back in May also still remain in OI. Shares have been pulling back with oil overall and retest the bottom of the gap up candle from early October near 30 before bouncing Monday and regaining back above 8 EMA today. The stock is still rangebound the past several months after a high of about 37 back in early November and now resistance is at 32.50 with the confluence of 200-day EMA and YTD VWAP as well as the 21 and 55 EMA's. SU has been strong in 2022 but made a lower high in November as oil slid lower so may need to pause a bit and build a small base pattern around the 30 level. The \$57.1B company trades at 6.3x earnings, 1.4x sales, FCF yield of 17.4%, with a fat dividend yield at 5% while revenue is expected to grow +50% in FY22 and -12% decline in growth estimated in FY23. Suncor Energy Inc. is a Canada-based integrated energy company. The Company's segments include Oil Sands, Exploration and Production (E&P), and Refining and Marketing. Average analyst target is \$40. RBC lowered its target to \$40 and keeps a Outperform rating and cited the company has a tighter grip on the steps required to regain its status as a best-in-class oil sands operator. BMO has a \$41 target and Outperform while Raymond James boosted its target last month to \$39 from \$37. Goldman has Buy rating and \$43 target on the name. Short interest is at 2.1%. Hedge fund ownership fell 4.3% last quarter. Elliott has a large stake in the name of about 10 million shares. Suncor made an agreement with Elliott Management back in July that it will undertake a strategic review of its downstream retail business with the goal of unlocking shareholder value.

Hawk Vision:



Hawk's Perspective: SU is a sluggish name here but if looking to play the oil bounce might want to wait for a close back above 200-day EMA near 33.

Confidence Ranking: \$\$



FEATURED OPTIONS RADAR REPORT



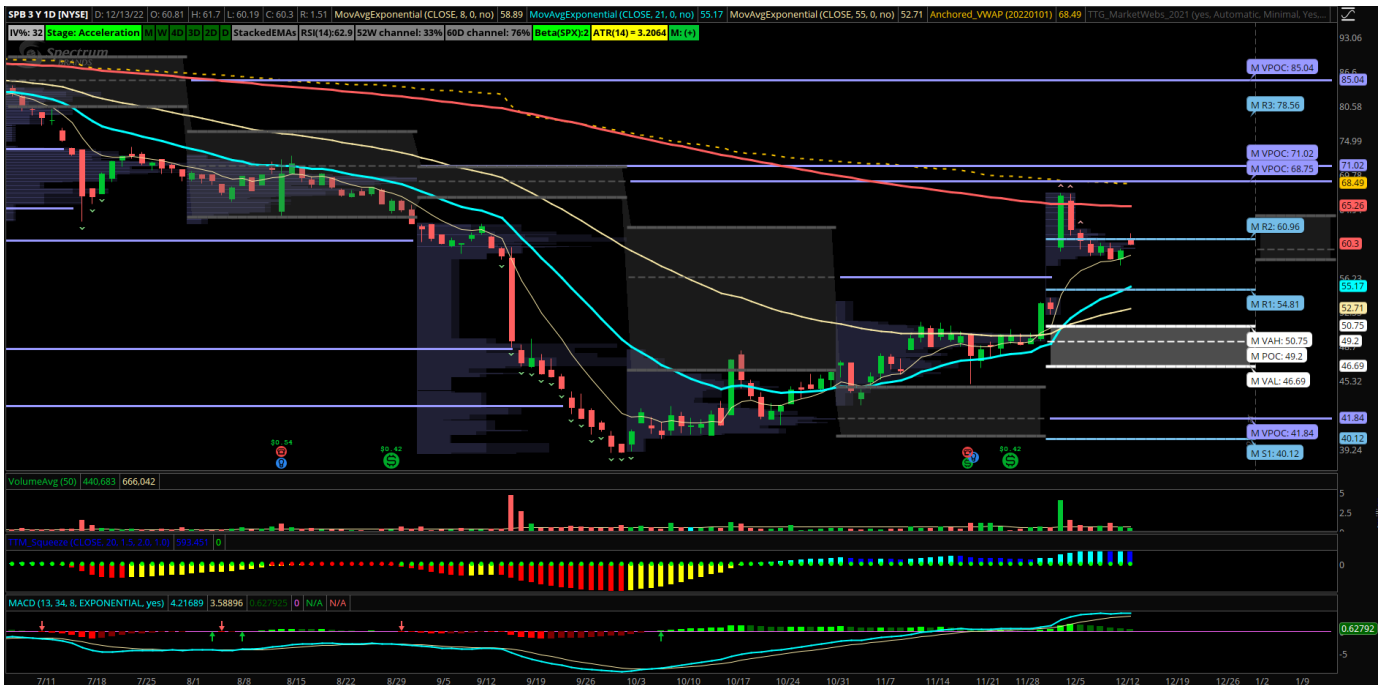
Diversified Household Products Name Sees Large Bullish Flows

Ticker/Price: SPB (\$60.40)

Analysis:

Spectrum Brands (SPB) on 12/12 saw a massive buyer of 5000 January 2024 \$80 calls at \$3.80 for over \$3.25M total and this follows a large bull spread last week of 1000 July \$70/\$95 call spreads for \$5.25 also with 1000 April \$65 calls bought \$6.40 as 2K Dec. \$65 adjusted. Shares have been strong off the October lows and just recently hit the 200 day EMA at 65 which is just under the YTD VWAP at 68.50 so a cluster of heavier resistance up there. The stock gapped up higher to start the month and has held a dip to the 8 EMA thus far. The move higher was attributed to news about a proposed sale of its Hardware and Home Improvement segment ("HHI") to ASSA ABLOY for \$4.3B in cash. The \$2.5B company trades at 28.6x earnings, 1.7x sales with dividend yield at 2.0% while revenue is expected to grow +1% in FY23 and +3% growth estimated in FY24. Spectrum is a diversified global branded consumer products and home essentials company. The Company operates through three segments: Home and Personal Care (HPC), Global Pet Care (GPC), and Home and Garden (H&G). Last quarter SPB beat EPS and missed on revenue estimates while guiding FY23 Revenue in line and announced that it expects to return to free cash flow generation in fiscal 2023 with over \$200 Million of inventory reduction. Average analyst target is \$83. Deutsche Bank downgraded to Hold and \$70 target recently and cited Assa Abloy's announced agreement last week to sell Emtek and the Smart Residential business in the U.S. and Canada to Fortune Brands as rebalancing Spectrum's risk/reward from here more neutrally. Wells Fargo has an Overweight rating and lowered its target to \$70 from \$80 in October while UBS is more bullish with a Buy rating and \$84 target. Short interest is at 3.5%. Hedge fund ownership fell 80% last quarter.

Hawk Vision:



Hawk's Perspective: SPB is a nice chart and holding the gap up so can be long against this 8 EMA test with stops under the 21 EMA closer to 55.

Confidence Ranking: \$\$

Additional Options Flow

Market/ETFs

China (FXI) with 10,000 May \$31 calls sold to buy the \$28 puts for net debit of \$0.51, potential collar

Russell (IWM) buyer of 29,500 Jan \$176 puts at \$2.38, adjusting the \$172 puts

Financials (XLF) opening seller of 17,000 Feb \$35 calls for \$1.87

S&P (SPY) buyer of 14,000 Dec 30th \$406 calls at \$7.97, adjusting the \$396 calls

High Yield (HYG) opening seller of 10,000 June \$72 puts for \$1.77

Consumer Goods

Tempur Pedic (TPX) buyer 1250 January \$33.75/\$37.5 call spreads for \$1.40

Ford (F) buyer 20K January \$16 puts \$2.42 as Dec. puts adjust

Costco (COST) seeing 1350 Dec. 30th (W) \$500 calls open near \$7.25

International Flavor (IFF) buyer 2000 May \$120 calls for \$4.40 with some near-erm calls adjusting

Rivian (RIVN) weaker today and seeing 5000 Jan 2024 \$40 calls sell to open \$4.70 to \$4.50, as the \$40 short calls adjust

Crown (CCK) buyer 2000 February \$75/\$65 put spreads for \$1.80

Macy's (M) buyer 10K January \$23 calls for 0.91 adjusts back \$25 calls. **Macy's (M)** seeing 2000 Jan 13th \$22 calls bought \$1.23, adjusting the \$23.50 calls

Kimberly Clark (KMB) seeing buyers of 500 April \$140 puts at \$6.30 to \$7

Coca Cola (KO) buyer 1400 March \$65 puts 2.45

Luminar (LAZR) buyers of 1000 May \$7.50 puts today at \$1.55

Dollar Tree (DLTR) with 1000 January 2024 \$120 puts bought \$9.45 tied to stock

McDonalds (MCD) large buy 1000 January 2024 \$270 puts for \$18.15, on OI check tomorrow

Target (TGT) buyer 1000 January 2024 \$120 puts \$9.40, stock tied

Urban (URBN) more bear flow today with 1500 January \$27 puts bought \$1.40

Tesla (TSLA) unusual buys of 10,000 very far OTM June \$750 calls today for \$0.17. Potentially a skew play based on IV being lower recently than normal. **TSLA** large buys today for over 6000 March \$140 puts at \$10 to \$12

Lucid (LCID) with 10,000 Feb \$6 puts bought \$0.40 against sales of the Jan \$7.50 puts at \$0.59 for small net credits

Leggett (LEG) buyer of 1500 January \$35 puts for \$2.30

Consumer/Business Services

Starbucks (SBUX) with 1080 April \$97.50 puts bought \$4.30

MGM (MGM) buyer 2000 January 2024 \$38 calls \$7.35 and also 3K of the \$38 puts are bought w/ long stock

Airbnb (ABNB) IV fading with opening sellers active 1975 April \$110 calls down to 7.20

Uber (UBER) buyer 10,000 March \$32.5/\$37.5 call spreads

Shake Shack (SHAK) interesting trade sold 1000 June \$42.50 puts to buy 1000 of the \$55/\$65 call spreads

Capri (CPRI) interesting sweep buyer 900 January 2024 \$85 calls \$4.70 offer

Carvana (CVNA) moving off lows with 6000 April \$10/\$25 call spreads bought and also buyers in Feb. \$10 calls

FarFetch (FTCH) buyer 10,000 April \$6/\$10 call spreads for \$0.44

Dave and Buster (PLAY) with 1500 Jan. 13th (W) \$36 calls opening \$2 as Dec. 34 adjust out

Sally Beauty (SBH) rising with 3400 January 12.50 calls bought \$0.50 offer sweeps

Activision (ATVI) large buy of 5000 March \$72.50 puts for \$2.99, adjusting the \$70 puts and also selling 5k of the June \$95 calls for \$0.18

JD (JD) with 10,000 January \$78.76 calls sold to open for \$0.47, low delta call sales. Also looks to be buying the \$50 puts for \$1.35

Las Vegas Sands (LVS) buyer 5000 January \$49 calls 2.55 as 3500 of the \$44 adjust up

Energy

Williams (WMB) buyer 1500 May \$38 calls \$1.05 offer

SunPower (SPWR) with 2850 March \$22 puts bought \$2.52

Shoals (SHLS) a favorite Solar with 2500 April 20 puts sold to open 1.75 and 1000 of the \$30 calls bought \$3.225

Financials

Fidelity Info (FIS) with 1000 January 77/5 calls bought \$2.03 as 2K Dec. 75 adjust, recent Activism rumors

Blackrock (BLK) fading and big buyer 1200 January \$700 puts \$17.60, reports in Jan. OpEx

Tricon Residential (TCN) seeing 2000 June \$7.50 calls sold to open \$1.10 to \$1.00

XP (XP) with 6200 Feb \$15 puts sold to open at \$1.05, also sells 3400 of the Feb \$20 calls at \$0.40 in a ratio strangle sale that leans bullish delta

Blackstone (BX) fading and 5000 February \$70 puts bought \$2.37, a favorite of put buyers

Berkshire (BRK.B) opening sale 700 June \$285 puts at \$7.65 bid

Morgan Stanley (MS) buyer 2000 January 2025 \$95 calls for \$15.95

Coinbase (COIN) large March \$45 put buy 5000X at \$11.80 as Dec. adjust

Microstrategy (MSTR) opening seller 300 March \$210 calls 22.90

Vornado (VNO) a troubled REIT with 7000 January 22.50 synthetic shorts opening at a 0.36 credit

Trupanion (TRUP) with 1500 January \$60/\$45 put spreads bought

Healthcare

Pfizer (PFE) seeing 2000 February \$55 puts bought \$2.98 looking to fade the move

Verona Pharma (VRNA) nice chart and seeing IV rise here with 1500 January \$15 calls bought up to \$1.25

Abbott (ABT) buyer 2000 June \$110 puts to open \$6.09 in a large bear trade. **Abbott Labs (ABT)** buyers of 950 May \$115 calls for \$6.25

Quanterix (QTRX) with 7750 January \$12.50 calls opening \$2.55 as Dec. 10 adjust, name that saw size insider buys into weakness

Intuitive Surgical (ISRG) buyers active today for over 500 May \$280 calls at \$29.50 to \$31

Stryker (SYK) with 500 January \$260 puts bought for \$11.40

Corcept Therapeutics (CORT) buyer of 1000 Feb \$20 puts for \$1.40

Merck (MRK) with 5392 July \$120 calls sold to open \$4.00, adjusting the June \$100 short calls and likely overwriting stock since an odd lot

Industrials

United (UAL) with 1925 March \$47 puts sold to open \$6.15. **UAL** buyer 10,000 January \$43 calls \$1.98 appears to be adjusting back \$46 calls

Emerson (EMR) with 800 January 2024 \$120 calls bought aggressive 4.60 offer. **EMR** also a buyer 1000 March 97.50 puts \$4.60

XPO (XPO) buyer 1350 May \$55 calls for \$1.05. **XPO** calls up to 2750X

Dover (DOV) with 750 March \$145 straddles bought for \$14.90

Textron (TXT) opening seller 1150 March \$70 puts for \$3.20

Lennar (LEN) with 1500 January \$90 puts opening as the \$80 adjust higher

Bluebird (BLBD) with 1900 April \$10 puts bought at \$1.00

Zim Shipping (ZIM) opening seller for 2000 Jan 2024 \$15 puts at \$4.18, adjusting the April \$25 short puts

JetBlue Airways (JBLU) down hard today -9% and seeing a buyer of 2400 Jan 2024 \$10 ITM puts for \$3.35, adjusting Jan 2023 puts

Manitowoc (MTW) unusual buy of 1000 June \$10 calls \$1.35 offer

Embraer (ERJ) with 4000 June \$10 puts bought \$1.41 with the Dec. 10 adjusting

Materials

Barrick (GOLD) buyer 10,000 Dec. 30th (W) \$18 calls for \$0.32 as this week adjust out

Pan American (PAAS) sweep buyer 2000 January \$16 puts for 0.70 offer

BHP (BHP) buyer 3000 February \$60 puts may be adjusting the \$55 puts

Crown (CCK) seeing 1871 Feb \$75/\$65 put spreads bought \$1.80. **Crown (CCK)** with 5000 January \$85 calls sold to open 1.80

Lithium America (LAC) buyer 2000 February \$27.5 calls here up to \$1.45. **LAC** also seeing 5000 April 35 calls sell to open 0.85

Univar Solutions (UNVR) unusual opening seller for 1000 Feb \$30 ITM calls for \$4.60

Albemarle (ALB) large block buys 1000 Jan 2024 \$200 puts for \$21.30

Dow Chemical (DOW) opening sale 600 January 2025 47.50 puts for 6.90

International Paper (IP) with 2000 January 2024 \$45/\$32.5 bull risk reversals opening for \$0.60 credit

Mosaic (MOS) seller 1500 March \$45 puts on \$3.20 bid

Tech

Sea (SE) opening sale 1000 January 13th (W) 70 calls for \$4

IBM with 1850 February \$150 puts actively bought \$5.30 early but tied to stock

Marvell (MRVL) with 3200 March \$45 calls bought \$4.40 as 1600 Dec. 37.5 adjust

Pinterest (PINS) buyer 5500 OTM February \$37.5 calls for \$0.35. **PINS** buyer 10,000 January 2024 \$37.5/\$42.5 call spreads as 20K Mar. 27.5 calls close. **PINS** also with 3000 January \$26 short puts opening today 1.69

Microsoft (MSFT) seeing over 6000 March \$295 calls bought for \$4.20, adjusting the December \$250 calls higher

Shopify (SHOP) also seeing 1000 January 27th \$44/\$48 bear call spreads sell to open \$1.05

Cloudflare (NET) with 4000 January \$65 calls bought for \$1.42 as the \$55 take profits

Intuit (INTU) with 550 June \$430 calls bought today near \$59

Alibaba (BABA) with 1000 September 2023 \$110 calls bought \$12.10 to \$12.25

Cognizant (CTSH) with 2000 January \$57.50 puts sold to open for \$1.45

Applied Materials (AMAT) large trade buys 1000 June \$110/\$120 strangles for \$22.89, leans bearish delta

Check Point Software (CHKP) sellers today for 1100 Jan \$140 calls at \$1.75 down to \$1.55, will add to OI checks

Adobe (ADBE) buyers of 700 March \$340 puts near \$23.80

IBM (IBM) with over 2000 March \$140 puts sold to open here for \$3.55 and \$3.50

Amazon (AMZN) with 12,000 January \$88 bull synthetics opening for \$5.35 debit

Communications/Utilities

AT&T (T) another 20K Jan. \$20 puts bought as Dec. 19 adjust

Disclaimer:

Not Investment Advice or Recommendation

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