



Sector Leaders

Energy

Utilities

Financials

Stock Gainers

COOP 17%

ZG 12%

NWL 12%

PTEN 9.8%

BE 9%

CPE 9%

Volatility Gainers

- RSX
- IRNT
- KOD
- OZON
- MQ
- DG

High Call Volume

- MGI
- TWOU
- UNM
- AJRD
- JOAN
- GDDY

Bullish Options

- CLF
- AMD
- MGM
- PINS
- TMUS
- CAG
- GE
- BKR
- GDDY
- NTR
- DIS
- MUR

Market Review: Stocks held steady overnight after the sell-off Thursday afternoon with the Fed turning even more aggressively hawkish considering the latest inflation reading. A reescalation of tensions between Russia/Ukraine were also in focus early. We bounced early but faded off 1-week/month VWAP/VPOCs and Consumer Confidence came in much weaker than expected. The mega-cap tech names were lacking in participation again today while energy continued to lead. We got some mid-day headlines around Russia/Ukraine which sparked a sell-off in equities and a jump in the VIX back above 29. The S&P pulled back into the late-January balance and a big HVN at 4422. We're now also firmly below the 8- and 21-EMA and tenor of conversation has certainly whipsawed late in the week from 'breaking out of a bull flag' to re-testing the January lows. For now, the overall environment remains a cautious one as we work through the latest 'wall of worry.'

S&P Chart:



Resistance	Support
4550	4500
4630	4440
4720	4300

Options Action Trends: It was one of the quieter days in recent weeks without a lot of notable large opening positions. In the afternoon we saw bullish plays into the energy space after the Russia headlines including **MUR** and **CPE**.

What's On Tap: The key macro events on the calendar include China inflation data, UK inflation data, and the FOMC minutes. Earnings start to slow down but notable reports expected from AAP, ANET, MAR, ZTS, AKAM, ABNB, RBLX, ADI, HLT, KHC, SHOP, AIG, CSCO, DASH, H, NVDA, BAX, WMT, ROKU, and DE.

Trade Tracker Portfolio Changes:

- 1) No Changes

Sector Laggards

Bonds

Utility

Software

Stock Losers

GT -27%

IAA -23.5%

CFLT -22%

AFRM -20%

CC -15%

BL -15%

Volatility Losers

- PRQR
- UPWK
- Z
- ME
- HTA
- NET

High Put Volume

- GT
- TRV
- GOOS
- GES
- ZG
- UPWK

Bearish Options

- GOOS
- T
- BIG
- RBLX
- KR
- TSM
- CPNG
- YNDX
- OZON
- TSLA
- BX
- VET



FEATURED OPTIONS RADAR REPORT



Bullish Flow Accumulates in Top Aerospace Play with Capital Allocation Catalyst

Ticker/Price: TDG (\$650)

Analysis:

TransDigm (TDG) high-quality name coiled in a big multi-week range and seeing bullish flow this week including 300 March \$710 calls bought on 2/10 for \$7.25 and buyers of 400 May \$700 calls for \$26 on 2/9 which brought open interest at the strike over 840X, more than \$2.15M. The weekly bull flag under \$680 has a long-term measured move to \$780-\$800 as it works above the February 2020 peak. The \$35.9B company trades 31X earnings, 7.5X sales, and 48.85X FCF. TDG is coming off a strong quarter driven by Defense, acceleration in Commercial Aftermarket activity, and sequential bookings growth while EBITDA margins remained strong. TDG stands to benefit into 2022 as both Boeing and Airbus return to normalized production, especially around narrow-body planes. The company has a sizable cash balance and question after their quarter is squarely on capital deployment options including M&A, an area where they've shown interest in the past. The company could also pursue a buyback or a special dividend as FCF remains strong and they move away from defensive balance sheet moves. Analysts have an average target for shares of \$725 with a Street High \$801 from MSCO who raised estimates on 2/9 as the analyst sees company fundamentals trending positively and sees more upside for the stock as the aviation recovery continues. Truist upgrading to Buy on 1/7 as they think TDG is one of the best value creators in the industrial complex and stands to benefit from progressively increasing commercial aerospace aftermarket parts demand in the coming periods and price hikes. Hedge fund ownership rose 3% last quarter, Junto Capital a top holder. In early September, the CFO bought 1,700 shares at \$591.20, a more than \$1M buy. Short interest is 1.8%.

Hawk Vision:



Hawk's Perspective: TDG is a high-quality name with a clear catalyst for breaking out of this big range and considerable upside which should remain supported by the improving aerospace fundamentals; the options are pretty illiquid but like the stock back near \$630

Confidence Ranking: \$\$



FEATURED OPTIONS RADAR REPORT



Large Bull Spread Sees New Highs for Gaming REIT as Transformational Deal Nears Close

Ticker/Price: VICI (\$28.35)

Analysis:

Vici (VICI) with a large spread on 2/10 that bought the January 2023 \$30/\$35 call spread and sold the \$20 puts for a net \$0.70. VICI has no other notable open interest. Shares have pulled back to the 23.6% Fibonacci retracement of the big rally from the March 2020 lows and forming a nice double-bottom against \$26.50. A breakout move above the 200-MA at \$30 has room to run back to the prior highs near \$33.50 but the broader weekly wedge breakout targets \$40. The \$18.27B company trades 14.55X earnings, 12.2X sales, and 27.3X cash with a 5% yield. VICI is a REIT with exposure to gaming, hospitality and entertainment properties including Caesars Palace. VICI has a strong financial profile with double-digit AFFO growth and long-dated lease profiles with their top tenants. They have 100% occupancy and high-barrier to entry give the legislative and regulatory headwinds in the gaming and leisure space. VICI bought MGM Growth Properties in August 2021, a move that is expected to close in 1H. The deal gives them a strong portfolio in Las Vegas at a significant discount to replacement cost. Analysts have an average target for shares of \$26 with a Street High \$47. Citi starting at Buy on 2/7 as they like their attractive valuation, the imbedded growth pipeline, continued cap rate compression for gaming assets, and an attractive dividend yield. Berenberg likes the name as well given their expansion into the non-gaming space. Hedge fund ownership rose 32.5% last quarter. Long Pond Capital with a new 6.38M share position while Zimmer Partners a new 6M share position. VICI is popular with insiders including \$250K from the COO in November at \$28.40 while the FC bought \$250K in stock at \$29.25. Short interest is 13%.

Hawk Vision:



Hawk's Perspective: VICI is a nice, under-followed play on Vegas's continued recovery and the stability of the gaming sector in 2022 and with their deal closing soon, like the risk/reward of owning the stock versus the recent lows

Confidence Ranking: \$\$



FEATURED OPTIONS RADAR REPORT



Call Buyers Accumulate Positions in Precious Metals Leader

Ticker/Price: GOLD (\$19.3)

Barrick Gold (GOLD) seeing a lot of call buying in 2022 including this week with buyers of 3000 September \$21 calls and 6000 May \$21 calls on 2/10 while 31,500 March \$17 calls in open interest from large buys of over \$6.5M on 2/4 and also seen buyers in March \$16 and \$18 calls. GOLD also has 16,000 June \$22 calls in open interest from buyers back in October and 25,000 of the June \$21 calls. GOLD shares have a multi-week base forming above \$18 support and seeing a bullish RSI trend during the basing process which favors an upside breakout with weekly RSI just under 50.

Shares need to close above \$21.20 for a confirmed base breakout that measures to \$25 while the 200-day moving average is at \$20.22. GOLD will report results on 2-16. Barrick is engaged in the production and sale of gold, as well as related activities such as exploration and mine development. Barrick also produces significant amounts of copper (20% of business). GOLD has a market cap of \$34B and trades 17.4X Earnings, 6.7X EBITDA and 20.3X FCF with a 1.87% dividend, a cheap name though limited growth seen ahead unless Gold prices move higher. Barrick has shown a lot of interest in investing further in Canada and sees huge opportunities in Nevada. Analysts have an average target of \$26 with short interest low at 0.9% of the float. CSFB is positive on Barrick and the sector on re-rate potential with strong FCF in 2022.

Hawk Vision:



Hawk's Perspective: GOLD upside calls are very cheap and think June \$20's for \$1.20 can be managed easily with an \$18.70 stop.

Confidence Ranking: \$\$

Additional Options Flow

Market/ETFs

Treasury (TLT) with 4000 March \$132 OTM puts bought \$1.25

S&P (SPY) large trade opens the April \$360/\$340/\$320 far OTM put butterfly spread 40,000X80,000 for \$0.32 debit

Nasdaq (QQQ) buyer of 2000 March 16th (W) \$340/\$320 put spreads today for \$3.76, captures the March Fed meeting which is 3-15 and 3-16

High-Yield (HYG) buyer of 10,000 May \$79 puts for \$1.17 today

Semiconductors (SOXX) buyers of 1000 March \$430 puts for \$8.20 to \$8.80 here into the lows

Silver (SLV) buyer of the January \$27/\$37 call spread today 10,000X20,000 for a small debit

Biotech (XBI) buyer of the August \$85 puts for \$5.65 today, over 2250X

Energy (XLE) with 3400 September \$64/\$50 put spreads bought today into strength

Consumer Goods

Levi's (LEVI) with 1500 January 2023 \$22 puts sold to open for \$2.75

Oatly (OTLY) with 5000 June \$7.50 calls opening for \$1.65 today ahead of 3-9 earnings, trying to base after a long downtrend since its IPO and facing cost/inflation headwinds recently

Joann Stores (JOAN) buyers of 1,500 March \$12.50 calls for \$0.90 to \$1, strength lately as it works back above the 200-day

Canada Goose (GOOS) buyers of 1300 April \$27 puts \$1.70 coming off a weak report

ConAgra (CAG) tightly coiled and 925 Jan. 2024 \$30 ITM calls buy for \$7.30

Blue Apron (APRN) buyers of 2000 March \$5 ITM calls today for \$1.60, name that Citron Research has been pumping all week as a takeover target

Peloton (PTON) with 1000 January \$32 puts sold to open for \$7 today in a stock replacement

Take-Two (TTWO) buyer of 1000 February 25th (W) \$177.50/\$192.50 call spreads today for \$3.10, adjusting some weekly \$172.50 calls out

General Motors (GM) with 3,500 April \$45 puts sold to open from \$1.45 to \$1.40, stock replacements

Ferrari (RACE) spread today is selling 600 August \$250 calls and buying the \$220 puts for a net \$9

Tesla (TSLA) weak today and seeing the March \$780 puts bought up to \$23.80 to open this morning, over 1625X

Int'l Game (IGT) with a buyer of 5000 March \$27 puts for \$1.56 as the \$26 puts adjust

Li Auto (LI) with 1000 January 2024 \$35 calls bought for \$7.65, adjusting some January 2023 calls out

Consumer/Business Services

MGM Resorts (MGM) buyer of 5000 June \$55/\$40 bull risk reversals for \$0.25 debit, nearing a weekly range breakout

IAA (IAA) buyers of 1,650 July \$40 calls for \$3.60 into the move lower, some \$50 calls adjusting back

Dave & Buster (PLAY) with 1500 March \$40 puts sold to open for \$2.23, starting to work out of a monthly base and name insiders have been active in over the last year

Norwegian Cruise (NCLH) with 1000 January 2024 \$22.50 puts sold to open today for \$5.95 in stock replacements. **NCLH** also with 7500 March 4th (W) \$23/\$27 call spreads bought to open for \$1.04

Disney (DIS) buyer 460 deep ITM September \$95 calls for \$60.60

Macys (M) buyer of 2000 February 25th (W) \$26 calls for \$1.93 to open, targeting 2-22 earnings and could announce strategic initiatives or changes

Kohls (KSS) the July \$65/\$75 call spread being bought 4000X here for \$3.10, follows the large April spreads yesterday. **KSS** also seeing more April \$60/\$75 call spreads bought today, 1650X

Lyft (LYFT) with sellers of 2250 April \$37.50 puts down to \$1.80 today

Wendy's (WEN) with opening sales of the January \$25 puts for \$3.50, 1125X, and similar to **QSR** and **PZZA** yesterday

Camping World (CWH) with 600 January \$30 puts sold for \$5.60 to open in a stock replacement

Wayfair (W) with 375 February 25th (W) \$150 puts bought for \$13.60, tied to stock into 2-24 earnings

Carvana (CVNA) with 8000 February 25th (W) \$177.50 calls sold to open today starting at \$3.20 and down to \$2.80, earnings 2-24

Blink Charging (BLNK) over 6,000 June \$24 puts being bought today between \$4.75 and \$5, tied to long stock

Dollar Tree (DLTR) with buyers of 1000 June \$125 puts this afternoon for \$7.25 to \$7.30

Expedia (EXPE) the April \$180 puts being sold to open this afternoon 1250X for \$8.95 to \$9.30

Uber (UBER) afternoon buyers of the September \$45/\$27.50 bull risk reversal for \$0.20, over 19,000X

Energy

Exxon (XOM) sale of 1400 January \$87.5 calls for \$4.70

Baker Hughes (BKR) big breakout with group looking great and 3000 Sep. \$33 calls bought \$1.90 offer aggressively

Hess (HES) with 1000 January \$110 calls sold to open for \$10

Peabody (BTU) opening sales of 3000 March \$20 calls for \$0.60. **BTU** now also seeing 3000 March \$18 calls bought up to \$1.50 with the Russia headlines

Murphy Oil (MUR) buyers in the September \$35 calls here 1,500X for \$5.60 to open with the move in oil

Callon (CPE) buyers active here for 1350 July \$80 OTM calls for \$5.40 to \$6, name levered to higher oil prices

Philips (PSX) with 1000 May \$100 calls sold for \$3.16 to open today

Financials

CBOE Holdings (CBOE) seeing 1,500 June \$130 calls sold to open near \$3.70 as some weekly short calls adjust

Bank of America (BAC) with 5,000 August \$36 puts sold to open from \$0.75 to \$0.70

Moneygram (MGI) buyer of 20,000 March \$9/\$11 call spreads for \$0.70 as some February spreads adjust out, recent M&A talk

Mr. Cooper (COOP) with 1,900 April \$50 calls bought today for \$2.10 to \$2.15, adjusting higher the \$45 calls with today's move

PayPal (PYPL) today with 525 January 2024 \$115 puts sold to open for \$22.30 in a stock replacement

Prudential (PRU) buyer of 500 January 2024 \$125 calls for \$13.50 today in stock replacement

Blackstone (BX) buyers today of 1,200 February 25th (W) \$131 puts from \$4.65 up to \$6.10

Boston Properties (BXP) buyers of 1250 March \$120 calls this afternoon for \$2.50 to \$2.60

Preferred Apartments (APTS) with 1000 July \$22.50 calls bought today for \$3.00 to \$3.20 with the M&A headlines this week

SL Green (SLG) buyer of 1,800 March \$80 calls this afternoon for \$1.80 to \$1.85

Healthcare

SAGE Therapeutics (SAGE) spread here sells the May \$60/\$30 strangle and buys the August \$50 calls, 2400X at a net \$4.50 ahead of key Phase 3 data due in MDD for Zuranolone

Elanco (ELAN) buyer of 1600 March \$28 calls today from \$0.55 to \$0.60 ahead of 2-24 earnings

Moderna (MRNA) with 700 January \$165 at-the-money puts sold to open today near \$36.75 in stock replacements

Acadia Healthcare (ACHC) buyers of the March \$55 calls today from \$2.25 to \$2.40, over 1150X, shares forming a small base

Precigen (PGEN) buyer of 4500 January 2023 \$2.50/\$10 call spreads for \$0.75, a \$445M biotech focused on gene and cellular therapies

Industrials

3M Co (MMM) buyers of 650 March \$155 ITM calls for \$7.25 today and follows late day bull flow on Thursday

General Electric (GE) with 2500 September \$110 calls opening \$6.15 mid-market, big transformation year with its breakup

CSX Corp (CSX) with 3500 March \$35 calls sold to open today for \$0.55/\$0.50

Norfolk Southern (NSC) spread today is selling 2,500 February 25th (W) \$280 calls and buying the \$265/\$250 put spread

Materials

Cliff (CLF) buyers 3000 March 4th (W) \$21.50 calls into early earnings weakness down 4.5%

Nutrien (NTR) with 2000 January 2023 \$65 puts sold to open for \$5.50 in a stock replacement

Arcelor Mittal (MT) into weakness today seeing 3000 March 11th (W) \$35 calls bought near \$0.75

Teck Resources (TECK) with 7000 August \$45 calls sold to open for \$1.95 today

Mosaic (MOS) buyer of 8000 January 2024 \$23 puts today for \$1.52, tied to stock

Freeport (FCX) today 3,000 April \$43 puts sold to open for \$3.15

Dow Chemical (DOW) with buyers of the April \$60 calls for \$3.55, 1785X

Agnico Eagle (AEM) seeing 1000 March \$55 ITM puts sold to open today from \$8.30 to \$7.60

Sibanye (SBSW) with 20,000 March \$20 OTM calls bought for \$0.15 to \$0.24

Tech

Teradyne (TER) with 1350 March \$105 puts sold to open \$2.25 into recent weakness

Taiwan Semi (TSM) buyers of 8,500 May \$110 puts from \$3.30 to \$3.70 to open today

Snap (SNAP) with 2000 February 25th (W) \$43 calls bought \$1.43 to \$1.45 to open into the morning highs

DynaTrace (DT) with 1275 July \$50 calls sold to open down to \$4.50

Momentive (MNTV) with 1600 April \$15 ITM calls sold to open today from \$2.55 to \$2.25

Advanced Micro (AMD) morning buyers of 3000 March 4th (W) \$130 calls \$4 to \$4.30 as it pulls in the 21-MA

2U (TWOU) buyer 2000 March \$10/\$12.5 call spreads for \$0.75 after getting whacked on earnings

Go-Daddy (GDDY) higher today and seeing 1,150 May \$82.50 calls bought for \$6.90 in a stock replacement

Coupang (CPNG) with 8,450 August \$17.50 puts bought today for \$1.29 as some bearish spreads from May adjust

Ambarella (AMBA) with buyers here of 1275 March \$150 calls for \$10.75 to \$11, stock replacements

Global Foundries (GFS) with 1000 May \$55 puts bought for \$6.80 to open with shares moving back near the lows

Rackspace (RXT) buyers of 2,500 March \$12.50 puts for \$0.80 into earnings on 2-22

Intuit (INTU) seeing 400 March \$600 calls sold to open today for \$9.80

Datadog (DDOG) today with 400 June \$195 calls sold for \$15.60 in a buy-write

Oracle (ORCL) with 2000 June \$80 calls sold to open today for \$6.05 to \$6

Olo (OLO) with 1,500 March \$20 puts bought today for \$3.24, tied to stock

Qorvo (QRVO) buyer of 1,050 March \$135 calls for \$4.80/\$4.90 today as some February \$140 calls adjust out

Zoom (ZM) the January 2023 \$125 puts being bought 1000X for \$21.55 today, tied to stock

Twitter (TWTR) spread today is selling the March \$39 calls and buying the \$34 puts for a net \$0.47 debit, 2000X

Communications/Utilities

T-Mobile (TMUS) with 2000 May \$130/\$150 call spreads bought for \$5.27, some spreads adjusting higher

AT&T (T) buyer 30,000 April \$22 puts for \$0.37 as March \$24 adjust. **T** also with buyers 12,500 September \$25 puts \$2.70

Disclaimer:

Not Investment Advice or Recommendation

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