



MARKET RECAP 3/4/2022

Sector Leaders

Utilities

Energy

Healthcare

Stock Gainers

SG 25%
BTU 15.5%
OXY 13.4%
PBF 13%
BROS 9.5%
AA 7.5%

Volatility Gainers

- STLA
- ING
- CVNA
- SQSP
- DLO
- BTU

High Call Volume

- PRTY
- CSX
- NOG
- NCR
- NOV
- SG

Bullish Options

- CVI
- BMV
- LYV
- SSRM
- TGT
- CSX
- UBER
- EXPE
- VEEV
- ZM
- FSLR
- CNQ

Market Review: Stocks were lower overnight once again focused on Ukraine/Russia and an attack at a nuclear plant though much of the initial fears were misplaced. The US Jobs Report came in very strong above expectations and stock futures moved to morning highs. Growth stocks were under pressure early while value held up better, although most every sector in the red this morning. Financials led to the downside this morning with the move in yields while European names and those with exposure to Europe were weak as fears of contagion from the Russia economic sanctions grow. Energy was a standout again with crude up sharply while gold and silver rallied as well to multi-week highs. S&P futures opened weak and moved down into the key 4285-4280 level where we found buyers yet again today that pushed back into VPOC for the session. Overall, a quiet day after the overnight volatility and on a broader look we remain rangebound between 4400 and 4275. Responsive buyers are likely lower after the failed breakout on Thursday and key areas to watch next week are 4220-4215 and then down near 4185.

S&P Chart:



Resistance	Support
4410	4300
4460	4225
4500	3940

Options Action Trends: We saw early put buying across the Banks as yields dropped sharply following the Jobs Report. The put buying extended to other Financial groups as well with **ARCC, SCHW, COIN, V** puts bought.

What's On Tap: The focus will obviously remain on the Ukraine/Russia crisis in Europe while macro events include CPI in the US and some minor China data. Earnings are thinning out a bit but notable reports from **DKS, MDB, CPB, CRWD, DOCU, and ULTA**.

Trade Tracker Portfolio Changes:

- 1) No Changes

Sector Laggards

Financials

Tech

Industrials

Stock Losers

ENVX -20%
VZIO -20%
UPST -15%
CPNG -15%
AI -15%
CPRI -14.5%

Volatility Losers

- GPS
- SWBI
- DUOL
- FNKO
- VRM
- ESTC

High Put Volume

- BCS
- PVH
- XPO
- MGA
- ZGNX
- CG

Bearish Options

- DWAC
- SE
- MS
- IIVI
- FUTU
- CVNA
- PVH
- BTU
- JWN
- DAL
- MGA
- ARCC



FEATURED OPTIONS RADAR REPORT



Bull Spread Opens in Niche Software Company Posting Impressive Numbers

Ticker/Price: SPT (\$63.8)

Sprout Social (SPT) interesting trade this week as 1500 July \$60 puts were sold to open and the \$85/\$100 call spreads bought to open 1500X at a large net credit. SPT has pulled back sharply with high multiple software peers but defending post-IPO VWAP and also held a major volume support at the \$50 level. Weekly MACD remains negative but climbing the last few weeks and on watch for a move positive with \$73 and \$82 notable overhead resistance levels.

Sprout Social is a powerful, centralized platform that provides the critical business layer to unlock the massive commercial value of social media. Currently, more than 23,000 customers across 100 countries rely on its platform to reach larger audiences, create stronger relationships with their customers and make better business decisions. Social media is becoming mission-critical to the way organizations reach, engage and understand their target audience and customers. SPT is a centralized platform to effectively manage their social media efforts across stakeholders and business functions. It operates a single code-base without the need for customizations or professional services, allowing it to efficiently scale the platform and quickly react to changes in the market. SPT is gaining traction in larger markets with strong bookings and larger deal sizes. SPT currently has a market cap of \$3.57B and trades 13X FY22 EV/Sales with revenues seen growing 30%+ each of the next three years though like many names profitability remains a concern.

SPT is coming off another strong quarter of ACV growth with record large customer additions as it penetrates mid-market and Enterprise and expands its TAM to \$100B. Analysts have an average target of \$90 and short interest is 4% of the float. Stifel cuts its target to \$100 recently due to multiple compression but notes that SPT is executing flawlessly.

Canaccord and Needham reduced targets to \$75 and expects margin expansion to be delivered this year.

Hawk Vision:



Hawk's Perspective: SPT was a massive winner 2020-2021 as a favorite name but the current environment is compressing multiples and remains tough to step in front of these names though its niche offering and excellent numbers could make it a nice M&A target.

Confidence Ranking: \$\$



FEATURED OPTIONS RADAR REPORT



Bull Positions for Upside in Regional Bank at 200-MA After Flood of Deals

Ticker/Price: CFG (\$50.20)

Analysis:

Citizen's Financial (CFG) pulling back to the lower value area for the YTD and seeing a large bullish trade this week open nearly 4000 June \$50 calls for \$1M+ while the April \$42.50 and \$45 calls continue to have size open interest from buyers in October. CFG is in a rising channel from the August lows and big weekly breakout and a move higher targets \$57.50. Shares broke above multi-year highs recently at \$48. The \$20.2B company trades 10X earnings, 1X book and 13.6X FCF with a 3% yield. CFG is a leading regional banking with both consumer operations and commercial services. The company has one of the more rate-sensitive portfolios of the regional banking group and noted at the CSFB Financial conference in February that with 6-7 tightening in 2022 they see a significant boost to NII on the year. CFG is also benefitting from a stronger consumer with spending expected to pick up into the Spring and Summer after a seasonally slow period. The company has been on an M&A run over the last two years and now has more than \$215B in assets with a much wider footprint which is enabling them to better compete for affluent customers and expand their SMB exposure. Analysts have an average target for shares of \$56 with a Street High \$69. JP Morgan raising estimates recently noting that higher interest rates will be the main driver of earnings followed by some benefit from better loan growth and consumer spending. Citi upgrading to Buy on 1/11 with a \$65 PT as Citizens will get its ROTCE improvement through 2023 and the Street is underestimating the bank's pre-provision net revenue strength in 2022 and 2023 and expects upward consensus earnings revisions with management's 2022 outlook. Short interest is 2.95%. Hedge fund ownership fell 14% last quarter.

Hawk Vision:



Hawk's Perspective: CFG is a high-quality regional bank with a strong asset base and should benefit throughout the year from the rate cycle, the 200-MA here gives a nice spot to lean against for a move back into the prior highs

Confidence Ranking: \$\$



FEATURED OPTIONS RADAR REPORT



Call Buyers Pile into Leading Ag Stock Benefitting from Better Pricing, Demand Trends

Ticker/Price: BG (\$109.20)

Analysis:

Bunge (BG) strong name this week with the Ag stocks outperforming and seeing a lot of bull flow including buyers of 4,250 July \$130 calls on 3/3 for \$1M and 1000 November \$110 calls for \$1M as well. BG has seen buyers in the April \$110 and \$120 calls as well. Shares are working higher recently out of a small consolidation and room to run to \$116-\$117. BG started to clear a bigger weekly range in early February that targets a move to \$130. The \$14.87B company trades 11X earnings, 0.25X sales, and 7.5X cash with a nearly 2% yield. BG is a leading agribusiness company in the world with further exposure to milling products, fertilizer, sugar and bioenergy. BG is coming off a strong year behind records in total crush volume, refining performance and port volumes while leveraging their expansive global footprint. The company sees 2022 as a major acceleration of the trends that started last year as they focus on crush debottlenecking and expansion, replacing refineries in India and Rotterdam, and expanding into growth areas like specialty proteins. Analysts have an average target for shares of \$106 with a Street High \$120 from Barclays who raised estimates recently and sees \$9.50/share in earnings power this year. BAML upgrading to Buy on 2/11 seeing further upside from supply disruptions. The firm notes that the global dislocation in crop supply and demand should benefit Bunge's merchandising business while noting that there is also meaningful upside in its processing and refined oil businesses. Short interest is 2.75%. Hedge fund ownership rose 7% last quarter.

Hawk Vision:



Hawk's Perspective: BG has run a lot in a short-time and would like to see it pull back into the \$103-\$104 zone for a better risk reward but it's positioned well for the current environment and should continue to outperform

Confidence Ranking: \$\$

Additional Options Flow

Market/ETFs

Russell (IWM) with 3400 August \$171 puts being bought this morning for nearly \$2.5M. **IWM** seller to open 5000 Mar. 31st (Q) \$190 puts at \$4.75

Eurozone ETF (EZU) a rare large trade with 10,000 April \$37 puts bought \$1.40 to \$1.60

Volatility (VXX) buyer of 6000 March 11th (W) \$28/\$33 call spreads for \$0.88. **VXX** also with 7500 April \$50 OTM calls sold to open for \$1.16

MSCI EAFE (EFA) large opening sale of 9000 January \$67 puts for \$5.40

Nasdaq (QQQ) seeing 20,000 December \$295 puts open for \$18.80 today as the \$310 puts bought on 2/4 adjust lower

Silver (SLV) with the September 30th (Q) \$24.50 ITM puts sold to open today 3900X for \$2.92

Regional Banks (KRE) buyers this afternoon in the April \$60 puts from \$1.08 to \$1.16 over 18,000X

IPO ETF (IPO) with a buyer of 5000 April \$41 puts for \$3.45 as the \$43 puts close 4000X and adjust down

Gold (GLD) large spread this afternoon buys 75,000 September \$235/\$255 call spreads for \$0.79, some positions adjusting higher. **GLD** also seeing 3000 April 1st (W) \$183 calls bought earlier near \$4.60

Consumer Goods

General Motors (GM) early buyer of 1000 March 25th (W) \$40 calls for \$4.70

PVH (PVH) March 90/80 put spreads adjust to 1766 of the \$85 puts bought \$5.30

Target (TGT) with 1500 May \$210 puts being sold to open near \$8.30

Magna (MGA) buyer 2000 September \$50 puts for \$2.95

Capri (CPRI) under pressure today and 1000 April \$57.50 puts bought for \$4.50. **CPRI** also a stock replacement buys 1500 March \$55 calls for \$3.70

Victoria's Secret (VSCO) with 1275 April \$50 calls opening for \$6.08 today, adjusting the March \$55 calls

Stellantis (STLA) the June \$30 puts being sold to open into weakness 600X for \$15.80

Constellation Brands (STZ) buyer 500 July \$215 straddles for \$29.90

Bath & Bodyworks (BBWI) buyer of the March \$48/\$43 put spread 2500X for \$1.40 as some spreads adjust lower

Philip Morris (PM) into weakness today an opening sale of 2500 November \$95 puts for \$7.90

Goodyear Tire (GT) the January \$10 puts being sold to open 5400X for \$1.10 in a stock replacement

Celsius (CELH) buyer of 2100 January 2024 \$75/\$50 bull risk reversals today for \$0.50

Consumer/Business Services

Digital World (DWAC) the April \$70/\$60 put spread being bought 2000X for \$3 to open

Live Nation (LYV) with 1500 April \$120 calls bought \$5 to \$5.20 looking to add to OI

Carvana (CVNA) seeing a lot of opening call sales again with 5250 April \$170 and 2000 May \$200

Wynn (WYNN) buyers of 800 September \$72.50 puts for \$7.85

Nordstrom (JWN) buyer of 10,000 April \$22.50 puts from \$1.33 to \$1.37 as it rolls into the earnings gap from this week

Xponential Fitness (XPOF) seeing 1,375 May \$15 calls roll up to the \$20 strike that open for \$3.65

Uber (UBER) with 20,000 April \$30 calls bought \$2.42 with the \$32.5 adjusting

Roku (ROKU) buy-write sold 500 January \$170 calls for \$19.25

Outfront (OUT) unusual 1000 June \$30 calls bought today \$1.10 to \$1.20

Royal Caribbean (RCL) buyers of 2000 April \$75 calls for \$3.33 as the \$85 calls adjust back

Kohls (KSS) buyer of stock opens 4000 June \$50 puts today for \$3.80

Marriott (MAR) with 1,500 June \$175 calls opening for \$6.90 as the \$180 calls close 750X and adjust back from 2/17

Etsy (ETSY) buyers of the September \$140 puts this morning 1150X for \$22.40 to \$22.60

Expedia (EXPE) buyers of 4,500 April \$175 calls for \$13.36 and spread against the \$190 calls that are rolling back from 2/2.

EXPE now with the March \$180 calls being bought 1650X for \$6.60 to \$6.90

SquareSpace (SQSP) lows of the day and 2000 August \$17.50 puts bought for \$1.70, breaking under a big range today

Camping World (CWH) with 3,500 June \$29 puts bought for \$3.70 to open today with shares undercutting the recent lows.

CWH now also with 1500 April \$31 puts bought for \$3.30

Cinemark (CNK) buyer of 2000 April \$17.50 puts for \$1.80 today with some concerns about the Summer film slate

Pinterest (PINS) buyers of 2350 August \$20 puts for \$2.40 this afternoon

Nordstrom (JWN) buyer of the March 25th (W) \$25/\$20 bull risk reversal today 6050X for \$1

Energy

Total Energies (TTE) buyer of 1000 March \$50 calls for \$1.45/\$1.50 today into weakness and the re-test of the 200-MA

CVR Energy (CVI) buyer 1000 March \$17.50 calls \$1.10 to \$1.25

Devon Energy (DVN) buyer of 600 October \$65 calls for \$6.60 to \$6.80

Chevron (CVX) buyers of 2000 April \$180 OTM calls for \$2.05 to \$2.15 as the \$155 calls adjust higher

NOV (NOV) strong setup with shares near a bull flag breakout and 2000 May \$19 calls bought today \$1.20 to \$1.25. **NOV** also with 1650 January \$15 puts sold to open for \$1.90

Apache (APA) opening sale 650 October \$32.50 puts for \$4.05. **APA** now also with 2000 April \$37.50 puts sold to open for \$2.81 in a stock replacement

Petrobras (PBR) buyers of 1500 January 2024 \$20 puts for \$10.85

Canadian Natural (CNQ) with 1750 January \$55 ITM puts sold to open for \$7.20

Schlumberger (SLB) with 4000 April \$45 calls bought up to \$0.66 today into the morning lows

First Solar (FSLR) buyers active here for the May \$75 calls for \$5.55 to \$5.60, over 5000X, with the recent size put sales

Northern Oil (NOG) buyer is opening 2670 April \$27/\$30 call spreads for \$1 with the March \$25/\$28 spreads adjusting out

Antero (AR) with 1750 January 2024 \$15 puts sold to open for \$2.78 with 1,000 of the \$35 calls bought for \$3.13 to \$3.14

Southwestern Energy (SWN) buyer of 10,000 April \$5 ITM calls for \$0.68 today

EQT Corp (EQT) buyers of the September \$30 calls for \$3.10 to open today, over 1425X

Financials

Citi (C) opening sale 3000 October \$55 puts for \$6.10. **Citi (C)** buyer of 3200 September \$50 puts for \$3.80 to open today

Wells Fargo (WFC) stock replacement sells 1000 August \$47.50 puts for \$4.30

Ares Capital (ARCC) with 25,000 April \$20 puts bought \$0.30 to \$0.45 as the group continues to attract put buyers

Coinbase (COIN) with 1690 May \$170 puts opening \$23.30 as April \$210 adjust. **COIN** also seeing stock replacements open 1000 May \$180 calls for \$19 to \$19.20

Schwab (SCHW) buyer 1300 September \$70 puts for \$5.30

Axos Financial (AX) with 5000 May \$35 puts sold to open \$1.05

Visa (V) buyers today of 3,500 April \$175 puts from \$2.95 to \$3.05 into weakness

Affirm (AFRM) seeing the April \$35 puts sold to open today for \$4.58 as some March \$40 short puts adjust out

Upstart (UPST) with over 1350 December \$100 puts sold to open today from \$26.55 down to \$25.60

US Bank (USB) buyers of 1000 June \$52.50 ITM calls for \$5.25 to \$5.30

Morgan Stanley (MS) buyers of 3,500 May \$87.50 ITM puts for \$3.55 to \$3.70 today with their ongoing Federal investigation

Global Payments (GPN) buyer of 1000 April \$130/\$140 call spreads for \$3.33 with the \$105 puts sold for \$1.53

NCR Corp (NCR) today with 4000 July \$40/\$50 call spreads bought to open for \$2.35, follows recent bull flow and write up as they undergo a strategic review

Healthcare

Bristol Myers (BMY) buyers in April 8th (W) \$71 calls 1500X near \$0.96 as shares remain near highs

AstraZeneca (AZN) buyers 1275 July \$55 puts up to \$2.90. **AZN** also with 2250 April 1st (W) \$52 puts sold to open for \$0.69

McKesson (MCK) strong chart and opening sale today of 1000 March \$272.50 puts for \$3.05

Align Tech (ALGN) with the March \$525/\$580 call spread bought today for \$4.45, over 800X

Welltower (WELL) buyers of 1200 June \$87.50 calls for \$4.90 to \$5.10 to open today, very coiled weekly setup

Beam Therapeutics (BEAM) into weakness seeing 1000 April \$60 puts bought from \$5.10/\$5.20

Gilead (GILD) buyer of the March \$61/\$52.50 put spreads 2000X4000 for \$1.50

Surgery Partners (SGRY) with 1,500 June \$60 calls sold to open today for \$3.95

Cardinal Health (CAH) buyer of 1000 June \$52.50 calls today for \$4.00 to \$4.10 with shares flagging

Baxter (BAX) spreads today are selling the April \$87.50 calls and buying the \$85 puts for a net \$0.73, over 2200X

Industrials

CSX Corp (CSX) trading 6800 calls opening hour which is 3X daily average and IV30 up 9%. The March \$37.5 calls with 2400X bought and 595 Aug. \$35 calls bought. **CSX** now seeing a large spread sells the May \$30 puts and buy the \$40 calls for a net \$0.80, 13,000X

Delta (DAL) buyers of 2,500 September \$30 puts from \$2.66 to \$2.82

American Air (AAL) with 1450 August \$14 puts selling to open \$1.97. **AAL** also with 10,000 April \$13/\$11 put spreads bought

Heico (HEI) opening sale of 500 April \$145 puts for \$5

Johnson Controls (JCI) with 1300 April \$65 puts sold to open ITM for \$4.50 into weakness

Carrier (CARR) with 1000 September \$40 puts bought \$2.55 to \$2.60

Union Pacific (UNP) relative strength this week and seeing 1000 April \$235 puts sold to open today for \$3.20

XPO Logistics (XPO) buyer of 1700 August \$55 puts for \$3.20

Norfolk Southern (NSC) buyers mid-day for 1000 April \$300 OTM calls from \$4.90 to \$5.90 to open as rails stay hot

United (UAL) now with 10,000 May \$43 calls bought for \$2.10 to open as the \$50 calls roll back

Delta (DAL) also seeing 1000 January 2024 \$42 calls bought today from \$5.95 to \$6.20

Lockheed Martin (LMT) with buyers of the June \$600 far OTM calls 1250X for \$3.80 to \$4.40 this afternoon with the stock trading \$460

Materials

Teck Resources (TECK) buyers of 3,500 March \$41 calls today from \$1.23 to \$1.31 into strength

Peabody (BTU) large buyer of 2500 July \$25 puts \$6.50 offer into strength

Newmont (NEM) buyer of 1000 May \$65 puts bought \$2.22. **NEM** stock replacement is selling 1950 June \$72.50 puts for \$5.90

Arch Coal (ARCH) with 500 August \$145 puts sold to open today \$25.50 in a stock replacement, hot group lately. **ARCH** now seeing 1000 August \$140 puts bought for \$26.60, tied to stock

SSR Mining (SSRM) IV jumpy this morning with over 1850 April \$22 calls bought for \$0.95 to \$1 and some buyers in the \$23 calls too

Cresud (CRESY) been a hot name as a Latin American Ag play, seeing unusual 1K May \$10 calls with buyers

Nucor (NUE) trade sells 1500 July \$110 puts to buy 1500 of the \$140/\$160 call spreads

Darling (DAR) buyer 700 July \$65 puts for \$3.60

Sociedad Quimica (SQM) with 1,500 April \$75 calls bought \$5.10 to \$5.50 and spread with 650 of the \$65 puts sold for \$2.50

Agnico Eagle (AEM) with 1200 August \$50 puts bought \$4.35 to \$.40 today

Barrick Gold (GOLD) into strength today a buyer of 6500 March \$24.50/\$26 call spreads for \$0.44

Energy Fuels (UUUU) buyers of the January \$12 puts today for \$5.70 to open, over 1250X

Tech

II-VI (IIVI) with buyers of 1,500 March \$65 puts for \$1.35 to \$1.70 today

Sea (SE) bear flow with 1500 next week \$100 puts being bought, and 1500 March \$110 calls being sold. **SE** also now with 1000 June \$120 calls bought \$11.15 to \$11.20

Marvell (MRVL) buyer of 1,500 April \$70 calls for \$4.30 today as some March \$70 calls from 1/28 buys adjust out

JD (JD) buyer 1300 September \$55 puts for \$5.25

Adobe (ADBE) with 1500 April \$455 puts bought \$29.55, tied to stock, reports on 3-22

Apple (AAPL) with 3,000 November \$175 calls sold to open today for \$13.10

Bill.com (BILL) buyer of 500 August \$170 puts \$22.10 to \$22.80 for over \$1M

C3.AI (AI) with 1425 January \$17.50 puts bought \$4.20, down 12% on a downgrade

CoStar (CSGP) seeing 1000 March \$60 puts close and adjust into 1500 April \$55 puts bought for \$2.15

American Tower (AMT) stock replacement sells 1150 May \$230 puts for \$10.60

DocuSign (DOCU) with 2600 April \$80 puts sold to open this afternoon for \$4.65 in a stock replacement

Sohu (SOHU) pops with an unusual 1000 January \$17.50 calls bought for \$3.70 to \$4.20

Micron (MU) into the mid-day lows a buyer of 1000 April 1st (W) \$85 calls for \$5.15, earnings on 3-29

Veeva Systems (VEEV) opening sales this morning of the September \$220 puts from \$43.70 to \$41.70, over 945X for \$4M

Zoom Video (ZM) buyer of 1,500 January 2024 \$150 calls for \$27.51 today and spread with 3,000 of the \$350 calls sold for \$6.38

NetEase (NTES) with 2000 September \$55 puts bought here for \$2.60 to open

Communications/Utilities

ConEd (ED) with 1500 May \$95/\$80 strangles bought today for \$2.70

Exelon (EXC) buyers of 1,500 October \$46 calls for \$2.00 to \$2.15 to open today and spread with the \$40 puts sold for \$2.25 to \$2.30 in bull risk reversals. **EXC** also with buyers of 1350 January \$42 calls for \$4.90

Dominion (D) buyer of 740 July \$75 ITM calls \$8.30 to \$8.40, strong Utility chart

Ericsson (ERIC) buyer of 10,000 October \$9/\$12 call spreads for \$0.56 with the news today of activist Cevian taking a stake

Xcel Energy (XEL) with 2000 April \$70 calls sold for \$2.20 in a buy-write today

Disclaimer:

Not Investment Advice or Recommendation

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