



Sector Leaders

Banks

Energy

Consumer Goods

Stock Gainers

VMW 20%

ROST 8%

JPM 7%

AR 7%

DE 6.8%

C 6.5%

Volatility Gainers

- EBS
- NATI
- RL
- BBY
- ANF
- W

High Call Volume

- NATI
- ZI
- PLNT
-

Bullish Options

- GT
- WBD
- NEM
- CVE
- SBUX
- AMD
- BBY
- EQT
- GM
- SLB
- TSLA
- LMT

Market Review: Stocks kicked off the week with continuation of Friday's late momentum boosted by reports of potential rollbacks of China tariffs while Shanghai continued to reopen. Stocks worked higher early as breadth steadily rose through the opening hour and volatility came in further. Banks rallied sharply after JPM's Investor Day outlook. Energy was another very strong group while Tech also traded strong along with Consumer Goods and Industrials in a broad-based rally. Ag was another standout strong group after dipping last week. Software and Internet lagged with Bonds down and the resultant rebound in Yields. The S&P is trying to base above VWAP from the 2020 lows, while below \$380 would set up for another leg lower likely to a 50% retrace level near \$350. Flash PMIs on the schedule tomorrow as a key global Macro indicator and then the Fed comes into focus Wednesday.

S&P Chart:



Resistance	Support
4150	3800
4230	3600
4300	3500

Options Action Trends: Early action continued to favor put buying across Retail & Apparel names. Bears also went back after puts in consumer lending names **DFS**, **COF**, **SYF**.

What's On Tap: Flash PMIs, New Home Sales, Richmond Fed and Powell Speech. Earnings from **INTU**, **NTES**, **A**, **AZO**, **BBY**, **RL**, **TOL**, **JWN**.

Trade Tracker Portfolio Changes:

- 1) Spotlight: Sell **MA** June \$330/\$320 Put Spreads for \$3.30 Credit (Bull Put Spreads)

Sector Laggards

Bonds

Software

Internet

Stock Losers

ROST -22%

UPST -18%

BURL -14%

CVNA

-12%WOOF -10%

AXON -8%

PTON -7.3%

XPEV -7%

RIVN -6%

W -6%

Volatility Losers

- XPEV
- ROST
- NRGV
- COUP
- MSTR
- CROX

High Put Volume

- HTH
- SYF
- KD
- PLAY
- DFS
- HON

Bearish Options

- DLTR
- GPS
- SNAP
- ROST
- DHI



FEATURED OPTIONS RADAR REPORT



Bullish Open Interest for Leading Commercial Aero Supplier with Defense Upside

Ticker/Price: RTX (\$90)

Analysis:

Raytheon Tech (RTX) a name with a lot of bullish open interest in front-month June expiration that has also seen activity pick back up the past week with a buyer of 1000 September \$95 calls and some action in June \$90 calls. RTX's most notable open interest is June \$95 calls with 9,735 in OI and also 4500 June \$85 calls and January \$100 calls from buyers while 2000 June \$80 calls bought for \$1.6M last December. RTX shares are attempting to base right on its 200-day moving average and also just above 18-month trend support and VWAP from 2021 while also retesting its key range breakout spot from early 2022. Raytheon Technologies Corporation is an aerospace and defense company that provides advanced systems and services for commercial, military and government customers worldwide. Collins Aerospace Systems, Pratt & Whitney, Raytheon Intelligence & Space and Raytheon Missiles & Defense are its four operating segments. RTX has a market cap of \$133.5B and trades 15.55X Earnings, 13.5X EBITDA and 1.85X Book with a 2.45% dividend yield and 4.5% FCF yield. RTX forecasts see 7% revenue and 13.5% EBITDA growth CAG over the next three years. RTX is positioned well for both a recovery in air traffic driving commercial aftermarket strength and increased spending on missiles and missiles defense. Management's tone was upbeat on the prospects for the Defense business on the back of the FY23 budget release which came with a ~4% increase in spending when compared to FY22 enacted levels. Analysts have an average target of \$115 and short interest is minimal at 0.7% of the float. RBC started shares Outperform in April with a \$125 target estimating the higher margin aftermarket sales will grow to \$26B in 2025 from \$14B in 2021.

Hawk Vision:



Hawk's Perspective: RTX remains a nice value play that should see a multi-year strong earnings cycle, watching for shares to clear \$92 that can be trade then verses \$89.

Confidence Ranking: \$\$\$



FEATURED OPTIONS RADAR REPORT



Large Bull Spreads See Upside in Diversified Financial Services Co.

Ticker/Price: RJF (\$94.65)

Analysis:

Raymond James (RJF) the July \$100/\$85 bull risk reversal being bought 3000X here to open for \$1 debit. RJF has limited open interest outside of near 400 August \$90 puts. Shares have pulled back to a high-volume node from 2021 and remain above the 38.2% Fibonacci of the strong recent rally. A move back above \$100 clears yearly value and sets up for a re-test of the \$115 level and recent double-top. The \$19B company trades 9.45X earnings, 1.77X sales, and 4.3X FCF with a 1.5% yield. RJF is a leading financial services company with private client operations, capital markets, asset management, banking and more. RJF has seen strong double-digit growth in client assets as they expand their financial advisor base while revenues in banking rose 23% Y/Y. The company also sees themselves positioned well for potential volatility in the near-term with a strong backdrop given record client cash balances, strong loan growth, high concentration of floating assets, and solid capital ratios which give them balance sheet flexibility. RJF has been active in M&A recently too and expects their deal for SumRidge Partners to close soon which will boost their position and market share in the rapidly growing fixed income and trading tech marketplace. Analysts have an average target for shares of \$130 with a Street High \$195. Citi positive on the name in March and increasing estimates to reflect revised deal contribution, lower Investment banking, updated interest rate expectations, and truing up the model against generally better-than-expected metrics earlier this year. Hedge fund ownership rose 3.75%.

Hawk Vision:



Hawk's Perspective: RJF isn't the most exciting name but looks good against the recent lows for a run back up to the 200-MA in the near-term

Confidence Ranking: \$\$



FEATURED OPTIONS RADAR REPORT



Call Buyer Targets New 52-Week Highs for Leading Tobacco Player

Ticker/Price: PM (\$103.85)

Analysis:

Phillip Morris Int'l (PM) large buyer of 10,000 September \$115 calls for \$2 today and name that has seen some smaller buys in the December \$100 calls recently while over 3250 of the September \$110 calls remain in OI from buyers in April. PM also has 1600 January \$115 calls in OI from March buys. Shares are consolidating in a multi-week flag above yearly value at \$99 and has upside to \$114.50 on a breakout move higher. The larger breakout move above the recent highs targets \$130. The \$155.8B company trades 16.7X earnings, 5X sales, and 33.7X cash with a nearly 5% yield and high-single digit growth. PM is coming off of a strong Q1 despite challenges in Eastern Europe as IQOS adoption continues to surge and smoke free revenues now 30% of their overall mix. PM continues to see significant upside into the next decade as they transition more smokers into the higher-margin, less harmful alternatives given IQOS which has about 2.5X revenue per stick. The company sees a long runway for growth in low- and middle-income markets where adoption is in the early stages while Japan and Europe's biggest cities continue to be strong. In mid-May, PM agreed to a \$16B deal for Swedish Match as they push further into smoke-free alternatives. Jefferies positive on the move for Swedish Match recently noting that it could drive sizeable upside in terms of longer-term value creation. Swedish Match would give PM a leading smokeless business in both Europe and the U.S. as well as number two positioning in Europe and number one in the U.S. in modern oral and would be a negative for peers like Altria and British Tobacco. Analysts have an average target for shares of \$112 with a Street High \$120. Short interest is minimal. Hedge fund ownership rose modestly.

Hawk Vision:



Hawk's Perspective: PM sets up well against the 50- and 200-MA for a run at recent highs and the Swedish Match deal seems like a strong fit and likely not to see other competing bids

Confidence Ranking: \$\$

Additional Options Flow

Market/ETFs

Utility (XLU) trade opens the September \$70/\$72/\$74 call fly 5000X10,000

Short Bonds (TBT) buyer of 10,000 January \$26 calls as 5000 of the \$23 and \$22 adjust, also a spread selling 10K of the \$20 puts to buy \$30/\$35 call spreads

S&P (SPY) buyer 1000 Dec. 2023 \$405 puts \$48, also 5K June 10th (W) \$385 puts opening. **SPY** with 30,000 June \$378 puts opening for over \$18M this morning. **SPY** large trade this afternoon bought 7000 January \$430 calls for \$14.89

Nasdaq (QQQ) buyer of 7250 June 30th (Q) \$290/\$300 call spreads for \$5. **QQQ** with 6250 March 2023 \$300 calls opening \$28.06 as December \$300 calls adjust

Retail (XRT) buyer 3000 July 60/45 put spreads for \$3.08

Oil (USO) with 9000 June \$83 calls bought \$3.11 this afternoon in large lots

Consumer Goods

Dollar Tree (DLTR) earnings on 5-26 and today seeing 750 weekly \$129 puts open for \$7.95 as some \$136 strike adjust lower

The Gap (GPS) earnings on 5-26 and buyers early for the weekly \$10.50 puts at \$0.98, over 2000X, hit by 24% last quarter. **GPS** now with 3000 weekly \$9.50/\$8.50 put spreads bought to open for earnings. **GPS** now buyers of 4000 June 10th (W) \$9 puts for \$0.51

Citi Trends (CTRN) earnings tomorrow morning for the retailer and seeing 2000 June \$30 at-the-money calls sell to open for \$1.45 to \$1.35

Goodyear (GT) with 7000 June 24th (W) \$12.50 calls bought \$0.50 here

Tesla (TSLA) buyer of 1000 October \$950 calls for \$35, also trading 3000 June 24th (W) \$710/\$600 bull risk reversals to open

Xpeng (XPEV) the June \$21.50 calls being bought here 1000X for \$2.20 with the China relaxation of taxes around EVs today

Nio (NIO) now similarly seeing buyers active in the June 10th (W) calls now for \$1.44, over 3000X

GM also seeing 1,500 June 2023 \$40 calls sold to open for \$5.25 today

Coca Cola (KO) opening sales of 1,500 June \$63 puts for \$2 down to \$1.75 today as it reclaims the 55-MA

Altria (MO) seller to open 1700 July \$52.5 puts \$2.52, also with 2000 July \$55 calls active with buyers today

Rivian (RIVN) with 14,750 June \$17.50 puts sold to open for \$0.27 to \$0.25

Ford Motor (F) over 20,000 December \$8 puts sold to open today down to \$0.35

Whirlpool (WHR) with 1000 December \$115 puts sold to open for \$4.10, nice hammer last Friday off of the April lows

Costco (COST) opening seller 1465 June \$370 puts for \$9.15, earnings 5-26. **Costco (COST)** with 425 June 2023 \$400 puts now also being sold to open down to \$42.50 into earnings this week, over \$1.85M

Callaway (ELY) with a buyer of 1000 June 10th (W) \$19.50 calls for \$1.25

Electronic Arts (EA) higher today with reports they've been seeking a merger or sale and seeing a spread here buy 450 July \$135 calls for \$6.89 and sell the June \$160 calls for \$0.39

Molson Coors (TAP) with 1300 October \$55 calls bought mid-day from \$3.10 to \$3.20

Five Below (FIVE) earnings in early June and today a buyer of 600 June \$113 puts for \$7.50 tied to stock

Take Two (TTWO) buyer of 10,000 June \$130/\$150 call spreads for \$2.65

Tyson (TSN) with 400 January \$75 ITM calls bought for \$16.45 as some positions adjust

Consumer/Business Services

Warner Discovery (WBD) buyer of 500 January 2024 \$15/\$25 call spreads for \$3.60, long-term view on a name that has seen a lot of bull flow

Bed Bath & Beyond (BBBY) the January 2024 \$10/\$30 call spread being bought 1000X2000 for a small net credit

Starbucks (SBUX) size buy of 45,900 Dec. 85 calls for \$2.85

Best Buy (BBY) with 5000 weekly \$80/\$90 call spreads bought for \$1.50 into earnings. **BBY** also with 8000 June \$65 puts opening \$4.78 as the \$80 puts adjust

FarFetch (FTCH) opening seller 1936 Oct. \$11 ITM puts for \$4.65

Dave & Busters (PLAY) seeing 8000 June \$40 puts take profits today from 5/5 and roll down to buy the \$30 puts for \$1.48 ahead of June earnings

Wayfair (W) buyer 600 January \$85 calls for \$4.50

Lithia (LAD) opening seller 200 September \$270 puts \$23.10

Melco (MLCO) some cheap upside Oct. \$10/\$15 call spreads trading 3400X

DoorDash (DASH) with 1000 November \$30 puts sold to open down to \$2.43 this morning

Carvana (CVNA) buyer of 2000 July \$20 puts up to \$2.45 to open today. **CVNA** also with buyers of 1700 July \$30 puts \$6.50

Perdoceo Education (PRDO) buyer of 5000 January \$10 puts up to \$1.10 to open, the former Career Education Corp

Interpublic (IPG) buyer 1000 July \$30 puts for \$1.35

Uber (UBER) buy-write sells 3000 October \$30 calls for \$1.41. **UBER** opening seller since September \$15 puts 6500X. **UBER** today seeing 3000 June 2023 \$35 calls sold to open down to \$2.10

Etsy (ETSY) with 3000 September \$115 calls sold for \$3 to open in a buy-write

William Sonoma (WSM) buyer 5000 June \$95 puts \$3.50 into earnings, follows large put spread last week

Latham (SWIM) unusual buys of 5000 June \$12.50 calls for \$0.25 to \$0.30

Planet Fitness (PLNT) today with 600 August \$62.5/\$70 call spreads bought and also 1120 Aug. \$75 calls bought

eBay (EBAY) with 2500 September \$50/\$40 strangles sold to open for \$3.80

Lyft (LYFT) buy-write sells 1250 Jan. 2024 \$27.5 calls for 4.05

CarGuru (CARG) buyer 4000 June \$23 calls for \$1.15, been seeing bull flows in it as a name that held much better than CVNA before recently cracking under pressure

Advanced Auto (AAP) into earnings tonight seeing 1500 June \$180 straddles sell to open, also buyers of 1100 June \$150 puts and selling 2X of the \$100 puts

Airbnb (ABNB) drops here with 1000 June \$114 puts bought \$8.50

Nordstrom (JWN) buyer of 5000 June 24th (W) \$20/\$17 put spreads for \$1 net debit ahead of 5-24 earnings, lower seven of the last nine

Disney (DIS) buyers of 1450 June \$106 calls today up to \$3.40

Liberty Sirius XM (LSXMA) buyer of 2,500 October \$45/\$30 bull risk reversals today for \$1.85

Energy

Cenovus Energy (CVE) seeing 5,000 June \$20 calls close and roll up to the \$22 strike that open for \$1.20

ChargePoint (CHPT) earlier with size opening sales of weekly puts also seeing 40,000 June 3rd (W) \$11.5/\$13.5 call spreads, earnings 5-31

EQT (EQT) opening seller 1000 June 2023 \$42 puts for \$9

Schlumberger (SLB) with 5000 deep ITM January \$22.50 calls bought near \$21 to open, over \$10M

Ring Energy (REI) the January \$5.50 calls being sold to open for \$0.70 today, over 10,000X

Philips 66 (PSX) with over 1,500 August \$82.50 puts sold to open down to \$2.70 today, continues to form a nice bull flag near recent highs

Plains All American (PAA) opening sales of 3000 August \$12 puts for \$1.50

San Juan (SJT) small Oil name wrote up a few months ago with unusual call buying is making new highs and today with 1000 January \$10 ITM calls bought \$3.40 to \$3.50

Occidental (OXY) strong mover this afternoon with 1000 August \$60 calls bought \$9.40

Cameco (CCJ) buyers of 2000 September \$31 calls for \$1.30 to open this afternoon

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Financials

Discover Financial (DFS) buyer of 5000 June \$100 puts for \$2.45 and also seeing the September \$105 puts bought 1500X for \$9.60

Capital One (COF) now also seeing buyers in the June \$115 puts, 875X for \$5 and adding to recent buys

Morgan Stanley (MS) opening sale 10,000 July \$70 puts \$1.29. **MS** buyer 1000 June 87 calls for \$1.30

Voya Financial (VOYA) bullish spread today is buying the July \$70 calls 1450X up to \$1.35 and selling the \$65 puts 725X for \$3.40, announced a deal last week with Allianz for their US asset management assets

Visa (V) over 4000 June \$185 puts being sold to open this morning 1.85 to 1.78. **MasterCard (MA)** now similarly seeing 2300 June \$305 puts sold to open for \$2.66 to \$2.59

Synchrony Financial (SYF) buyers of 15,500 July \$31 puts for \$1.25, follows the buyers in Capital One and Discover earlier

Goldman (GS) with 1000 June \$310 ITM calls sold to open down to \$11.20 today

iStar (STAR) unusual buy of 4000 Sep. \$20 calls \$0.92

Futu (FUTU) stock replacement sells 1500 January \$25 puts for \$4.20 to open today

Wells Fargo (WFC) with 5,500 June \$47 calls sold for \$0.68 today in a buy-write

Regions Financial (RF) into strength seeing the November \$22 calls sold to open from \$1.63 to \$1.60 in buy-writes, 2350X

Zillow (Z) spread today sells 500 January 2024 \$55 calls and buys the \$30 puts for a net \$2.30 net credit

Healthcare

Bristol Myers (BMY) opening sale 3000 Dec. \$67.5 puts for \$2.25

Day One Biopharma (DAWN) unusual volume today with the July \$10 calls bought for \$1.15 to \$1.25 to open, over 1650X. The \$426M company focuses on targeted therapies for patients with genetically defined cancers and their lead product, DAY101, is in Phase 2 studies for pediatric patients with relapsed/progressive low-grade glioma. **DAWN** expects initial data for their pivotal Phase 2 trial in June of 2022

Merck (MRK) with 1000 June 2023 \$95 puts sold to open for \$9.90 today, long-term view in the strong name that is starting to clear a big monthly range

Moderna (MRNA) opening sales of 750 July \$135 puts today down to \$13

Gilead (GILD) earlier with closing June call sales now seeing buyers of 10,000 July \$67.5 calls \$0.80

Industrials

DR Horton (DHI) with 1000 June 10th (W) \$70 puts bought this morning for \$3.70 to \$4

Honeywell (HON) with 2500 June \$185 puts bought \$3.90. **Honeywell (HON)** opening sales today of 2,600 September \$210 calls for \$3.70/\$3.60

Spirit Aerosystems (SPR) with 900 October \$33 ITM puts sold to open today for \$6.85 a some July short puts adjust out

Lockheed Martin (LMT) with 600 January 2024 \$480 and \$490 calls bought today to open for \$38 and \$34.50 respectively

Middleby (MIDD) opening seller 1000 Dec. \$100 puts for \$4.80 with recent insider buys into weakness

ZTO Express (ZTO) buyer 3000 June \$26/\$30 call spreads for \$1.30 into earnings this week

Jeld-Wen (JELD) with 3000 June \$17.50 puts sold to open for \$0.70 to \$0.65 this afternoon

ZIM Shipping (ZIM) buyers of 1000 August \$75 calls into the highs here for \$5.50

Waste Mgmt. (WM) nice basing set-up after pulling back modestly off highs and 1750 June \$155 calls being bought \$4.60 this afternoon

Materials

AngloGold (AU) with 1200 January \$18 calls sold to open \$2.95

Louisiana Pacific (LPX) with 300 January \$75 puts sold to open ITM \$16.10 to \$15.90

American Resources (AREC) with 1950 October \$2.50 puts sold to open for \$1.10 today, a micro-cap coal stock

Peabody (BTU) buyer of 1800 June \$26/\$33 call spreads for \$1 to open today as it looks to break out of a narrow pullback range

Tech

AMD (AMD) buyers of 1000 July 1st (W) \$95 calls up to \$6.60 today ahead of their COMPUTEX showcase later today

National Instruments (NATI) unusual buyers of 1250 June \$35 calls from \$0.80 to \$0.85 today, the \$4.3B small-cap software platform for engineers

Zoom Info (ZI) opening seller 1000 October \$50 calls for \$3.50. **ZI** the October \$55 calls now sold to open 900X for \$2.25 to \$2.20

Box (BOX) the June \$27 puts being sold to open today 1000X for \$1.80 to \$1.75

Shopify (SHOP) with 3000 June 3rd (W) \$270 puts sold to open here for \$2.55 to \$2.40

Sea (SE) seller of 1000 Jan. \$70 puts to open \$13.55

JD (JD) trade opens 500 December \$53.76/\$48.76 bull risk reversals for a \$3 debit

Nutanix (NTNX) buyer of 5000 July \$25 calls now for \$1.60 to open in a block with the earlier media report of potential PE interest

HP (HPQ) seeing buyers 2475 June 10th (W) \$34 puts, earnings 5-31

TI (TXN) buyer of 1,400 January \$165 calls for \$19.40 today as some June call spreads close and adjust out

EPAM Systems (EPAM) with 2339 June \$240 puts sold to open today for \$2.65, narrow flag recently and breakout move can run to the 200-MA near \$500

Zoom (ZM) buyer of 1000 January 2024 \$110 puts to open \$42.95

Twilio (TWLO) with 1000 June \$105 calls sold to open this morning for \$6.55 to \$6.45

Intuit (INTU) seeing over 3000 July \$500 calls sold to open today near \$0.60

Twitter (TWTR) with 6500 June \$44 calls selling to open 0.76

Apple (AAPL) buyers active in July \$155 calls this morning 13,000X, see how OI reflects tomorrow. **AAPL** also trading 18K July \$140 puts with seller flow

Science Applications Int'l (SAIC) opening sales of 1000 June \$75 puts for \$1 today into the recent pullback to February support

Dell (DELL) sales to open of 1000 October \$42.50 calls for \$3.35

Qualcomm (QCOM) trade opens 1000 January 2024 \$130 short puts \$23.90 as Jan. 2023 adjust

Wolfspeed (WOLF) opening sales of 1000 September \$40 puts for \$1.85 today

Broadcom (AVGO) down 3.5% today but well off the earlier lows following reports of their bid for VMWare and this afternoon seeing 800 July \$440 puts sold to open for \$9

Intel (INTC) with 6000 November \$42.50 puts sold to open for \$4.30 in a stock replacement

Baidu (BIDU) buyer of 600 January \$135 calls for \$18.55, more than \$1.1M ahead of 5-26 earnings

Spotify (SPOT) with 800 January 2024 \$150 calls sold to open today for \$16

UpWork (UPWK) with 2500 July \$15 puts sold to open today for \$0.90

Snowflake (SNOW) buy-write sells 500 January 2024 \$230 calls \$23.60

Crow Strike (CRWD) this afternoon with 600 October \$85 puts selling to open \$4.15

Communications/Utilities

DISH Network (DISH) buyers of 3,750 July \$17.50 puts for \$0.90/\$0.95

Xcel Energy (XEL) the December \$60 puts being sold to open 1250X for \$1.15

T Mobile (TMUS) buy-write sold 800 November \$150 calls for \$4.10

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