



**Sector Leaders**

Solar

Software

Semis

**Stock Gainers**

FTCH 30%

NVAX 18%

OPEN 15.5%

UPST 15%

LTHM 13%

ZS 12.75%

**Volatility Gainers**

- HUSA
- MRTX
- EXPR
- KSS
- GRPN
- REI

**High Call Volume**

- DO
- KOS
- WEN
- CIEN
- GTN
- NTN

**Bullish Options**

- WYNN
- SPB
- DISH
- AA
- CDEV
- PYPL
- PWR
- PLAY
- ENPH
- GM
- AAPL
- TMUS

**Market Review:** Stocks held onto gains overnight as there have been subtle positive shifts in market health this week with breadth indicators moving bullish and volatility pulling lower. On a Macro level we continue to see some weakness in the data and on the corporate level job cuts are starting, though the market likely has been pricing this in the last few months. In morning data PCE prices came in at expected levels while Personal Income came in weak, and Spending came in above estimates. Tech stocks reacted higher on signs of moderating inflation. It was a strong morning with positive breadth we have seen all week continuing and the S&P retraced 38.2% of the post-April high declines. Heavyweights like Apple and Microsoft led the move higher for the group. The SPX made a strong charge late in the week and now nearing the lower range of the recent breakdown at 4150-4200 where we could see a potential pullback and consolidation. Momentum is starting to inflect, however, with a bullish MACD crossover and RSI back above 50 this week. NYSI is also back above its 8-EMA and looking for continuation next week.

**S&P Chart:**



Resistance	Support
4150	3800
4230	3600
4300	3500

**Options Action Trends:** We saw more bullish flow into travel and leisure names like **WYNN, UBER** and **DASH**. Two construction services names **J** and **PWR** saw bullish positions adjust higher into strength

**What's On Tap:** Monday will be a market holiday in observance of Memorial Day. Elsewhere, the big focus will be on China PMIs, Eurozone inflation and the US jobs report. Earnings remain in focus, albeit a slower schedule, with notables from CRM, CHWY, NTAP, PVH, CIEN, CRWD, and OKTA

**Trade Tracker Portfolio Changes:**

- 1) Closed **LYB** Calls \$6.50 (Opened \$2.80)

**Sector Laggards**

Coal

Tobacco

Metals

**Stock Losers**

IOVA -55%

MRTX -32%

WDAY -5.5%

AEO -5.5%

VSCO -3.5%

BOX -2.25%

**Volatility Losers**

- FTCH
- AEO
- PDD
- BIG
- ZS
- WDAY

**High Put Volume**

- OTLY
- GPS
- DLO
- ARCC
- NTN
- ANF

**Bearish Options**

- FB
- NFLX
- LE
- LOW
- MRO
- VALE
- PTON
- TOST
- COIN
- DDOG
- FDX
- PNC



## FEATURED OPTIONS RADAR REPORT



### Option Traders See Tight Ag Markets Sustaining in 2022

**Ticker/Price:** MOS (\$59)

#### Analysis:

**Mosaic (MOS)** with some large activity this week with 8000 September \$45 puts sold to buy 8000 of the \$65/\$95 call spreads and also a buyer of 8000 September \$70/\$90 call spreads. MOS also had an opening sale of 2000 July \$55 puts earlier this week and a buyer of 7000 September \$70 calls on 5/17. MOS also has 8000 January \$70 calls in open interest from large buys in March and 5000 January \$50 calls bought on 11/23/21. Earlier this month a Director bought 31,200 shares of stock at \$63.49 in a large purchase. MOS shares are up 50% YTD with the strong Ag markets though pulled back 9-10% the past month as prices have come down. MOS has a potential bull wedge forming and can run above \$62.50. Mosaic Company is the world's leading producer and marketer of concentrated phosphate and potash crop nutrients. The Phosphates business segment owns and operates mines and production facilities in Florida which produce concentrated phosphate crop nutrients and phosphate-based animal feed ingredients, and processing plants in Louisiana which produce concentrated phosphate crop nutrients. MOS has a market cap of \$22.5B and trades 4X FY23 EBITDA estimates with forecasts seeing FY22 as a peak year for sales/profits. The tight market may extend longer than analysts expect, however, and China is extending its export restrictions on urea and phosphates through June of 2023. MOS is coming off of a strong quarter and recently completed the ramp up of new capacity which will help them boost annual production of both potash and phosphates. Analysts have an average target of \$76 with short interest low at 3.7% of the float but jumped 145% Q/Q. Goldman raised MOS to Buy in March noting that the Russia/Ukraine conflict has the potential to be one of the most disruptive events across the food & agricultural supply chain in decades. MOS' position as the fourth largest global K producer and current market strength should support much higher EBITDA and FCF generation in the current environment. Mizuho recently raised its target to \$89 calling for a multi-year bull market in Ag. Third Point took a new position in Mosaic last quarter.

#### Hawk Vision:



**Hawk's Perspective:** MOS and CF each with large bull positioning recently and providing nice dups and set-ups versus support. All indications are tight markets will remain and these name should continue to do well in that environment.

**Confidence Ranking:** \$\$



## FEATURED OPTIONS RADAR REPORT



### Bulls Target Key Player in Energy Transition

**Ticker/Price:** GNRC (\$241)

#### Analysis:

**Generac (GNRC)** more bull flow on 5/26 as 1200 November \$280/\$200 bull risk reversals were bought for \$6 debit and follows the December \$340 calls bought earlier in the week 500X for \$467K. The January \$210 and \$230 calls with smaller, high-dollar buys in May while the January \$250/\$360 call spread opened 700X with the \$200 puts sold in late April. Shares are moving out of a narrow base and back above the 8- and 21-EMA this week with room up to the top of value near \$275. Longer-term, GNRC is back near the 61.8% Fibonacci retracement of the rally from the 2020 lows and a move out of the pullback trend targets a run to \$325+. The \$15.6B company trades 17.45X earnings, 3.85X sales, and 75X cash with high-teens growth. GNRC manufacturers power generation equipment, energy storage systems, and other power products for the residential, and light commercial and industrial markets worldwide. They primarily work through industrial distributors, HVAC partners, and other industrial sources. GNRC is coming off a strong quarter with robust and broad-based demand while they continue to build out their energy tech business which will benefit for years from decarbonization, digitization, and decentralization of the power grid. GNRC could see relief in the 2H from costs stabilizing as supply chains ease. Analysts have an average target for shares of \$437 with a Street High \$561. Northland starting coverage at Outperform with a \$370 PT on 5/25. The firm notes Generac dominates the growing U.S. home standby market with about 75% market share and enduring competitive advantages while it is ideally positioned to understand and navigate the terrain of the energy transition to get the most out of its burgeoning clean energy business. The analyst also thinks the large global footprint acquired from 2010-2018 flies under the radar and could serve as a latent force multiplier. Short interest is 4.5%. Hedge fund ownership fell 11.5%.

#### Hawk Vision:



**Hawk's Perspective:** GNRC is a high-quality name with multi-year tailwinds as the energy transition continues to gain traction and shares at an attractive valuation given their impressive growth

**Confidence Ranking:** \$\$



## FEATURED OPTIONS RADAR REPORT



### Call Buyer Sees Long-Term Upside in Communications Services Stock with Ambitious Growth Strategy

**Ticker/Price:** FYBR (\$25.25)

#### Analysis:

**Frontier Communications (FYBR)** with a rare large buy on 5/26 of 6000 January 2024 \$30 calls for more than \$3.2M. FYBR has some smaller December \$40 short puts in OI and saw 2000 December \$35 calls sold in a buy-write in April, but otherwise this week's buy was the most notable trade in the name. FYBR has been in a weak trends since late 2021 but bouncing off the low-end of a narrow weekly channel that has room back up to \$28. A breakout move can run up to the prior highs near \$35. The \$6.1B company trades 28X earnings, 2X sales, and 3X cash. FYBR offers fiber-optic and copper networks for residential and business customers for video, high-speed internet, and voice. FYBR is undergoing an ambitious plan to expand their fiber footprint as they replace the legacy copper builds and noting at the MoffettNathanson conference on 5/18 that they're on track to exceed fiber builds in 2022. FYBR sees long-term demand tailwinds for high-speed internet as data consumption grows across mobile, video, and smart devices. Analysts have an average target for shares of \$38.50 with a Street High \$60. MSCO upgrading to Equal Weight this week noting that the company has executed well so far as it pursues an aggressive fiber strategy to drive growth and with near-term financing needs met and a valuation looking more reasonable. The firm still worries about cash burn and competition ahead. Citi starting coverage at Buy in April liking the opportunities for Frontier to grow its revenue and expand margins as the company executes on upgrading its copper infrastructure and more than double its fiber footprint from 4M locations today to 10M by 2025. Short interest is 4.5%. Insiders active recently too with the Executive Chairman buying \$145K in stock in December at \$29. Hedge fund ownership fell marginally. Cerberus Capital, Luxor Capital, and Mudrick all buyers of stock.

#### Hawk Vision:



**Hawk's Perspective:** FYBR is an interesting long-term play after their restructuring and Chapter 11 and while the build will take time, it has significant potential to win market share as they upgrade their network

**Confidence Ranking:** \$\$

## Additional Options Flow

### Market/ETFs

**TIPS Bond Fund (TIPS)** with the July \$117/\$115/\$113 put butterfly bought 20,000X40,000 today and follows the size put fly yesterday at the same expiry

**Oil (USO)** buyer of 5000 July \$86/\$95 call spreads as June spreads adjust

**Energy (XLE)** with 5760 September \$95/\$75 bull risk reversals opening at \$0.68

**Semi's (SMH)** with 3500 September \$180 puts sold to open \$3.75, also 3400 Nov. \$171 puts selling to open \$4.85. **SMH** also seeing stock replacements sell 1500 July \$235 puts down to \$9.55

**Nasdaq (QQQ)** opening seller 6500 Sep. \$342 calls \$5.75 into the rally. **QQQ** stock replacement is also buying 10,000 June 10th (W) \$315 calls for \$3.34

**Russell (IWM)** opening seller 5000 July \$182 puts for \$6.57

**S&P (SPY)** with 5500 November \$325 puts selling to open \$6.39, the July \$392 puts opening 32,000X as the \$383 adjust, and buyers active 8500 June 15th (W) OM \$425 calls at \$3.34. **SPY** also seeing the June \$404 puts bought for \$6.79 to open today, over 35,000X as the \$385 puts adjust back

**Consumer Discretionary (XLY)** large buyer of 8000 June \$145 puts for \$2.57 to open

**Tech (XLK)** with 2,500 January \$130 puts sold to open for \$8.45, some June positions roll

**Treasury (TLT)** with 14,750 August \$116/\$108 put spreads bought for \$1.95

**High-Yield (HYG)** buyer of 75,000 October \$70/\$63 put spreads today for \$0.40, adjusting some August positions. **LQD** buyer of 20,000 November \$100/\$90 put spreads' for \$0.45

### Consumer Goods

**Land's End (LE)** with 5000 July \$10 at-the-money calls sold to open from \$2.15 to \$2 ahead of 6-2 earnings

**Spectrum (SPB)** buyer 1000 June \$90 calls for \$3.50

**Peloton (PTON)** off the highs of the morning with 5000 September \$14 puts bough \$2.90 to \$3.05

**Hasbro (HAS)** jumpy with 2000 June 87.5/95 call spreads bought 2.05, recent activist situation

**GM (GM)** buyers of 18,500 June 10th (W) \$37 calls today near \$1.85 as some June 3rd (W) calls adjust out and up

**VF Corp (VFC)** buyers of 1000 June \$50 calls today for \$1.40 to \$1.45

**Estee Lauder (EL)** higher today with Ulta Beauty results and seeing 750 June \$250 calls bought for \$9.55, some \$240 calls rolling up

**Skechers (SKX)** pops with 2000 June \$40 calls bought for \$1 to open

**Coca Cola (KO)** with 20,000 November \$60 ITM calls bought for \$6.40 this afternoon

**Capri (CPRI)** with 2,500 June \$50 calls bought today up to \$2.15, earnings on 6-1 and we've seen relative strength in high-end spending categories

### Consumer/Business Services

**Wendy's (WEN)** buyer of 5000 June \$19/\$23 call spreads for \$1 debit, some of the \$18 calls from yesterday adjusting higher

**Walmart (WMT)** with the August \$140 calls sold to open today from \$1.41 to \$1.40, over 3500X, while the \$145 calls also being sold 3750X for \$0.80 to \$0.75

**Wynn (WYNN)** buyer of 1500 July \$70/\$85 call spreads for \$2.90. **WYNN** buyer of 500 January \$67.50 calls for \$10.80 as well

**Uber (UBER)** buyers of the January 2024 \$55 OTM calls this morning for \$1.12 to \$1.13, 3500X

**Lowe's (LOW)** buyers this morning of 1200 July \$190 puts up to \$6.45

**Dave & Busters (PLAY)** buyer of 1200 November \$50 calls for \$3.30 after the bull flow yesterday and earnings in mid-June

**Burlington Stores (BURL)** with 800 July 1st (W) \$145 puts sold to open for \$3.71 today

**Cinemark (CNK)** buyers of 3250 June \$17.50 calls for \$0.65 ahead of a big weekend expected for the box office

**Dutch Bros (BROS)** strong run post-earnings and today seeing 1000 June \$38 ITM calls bought for \$2.90

**DoorDash (DASH)** with opening sellers of the August \$45 puts down to \$2.16 today, over 1350X

**Wingstop (WING)** buyers of 450 July \$75 puts for \$5.25 today, adjusting some June puts and name that could face pressure from chicken prices rising

**Planet Fitness (PLNT)** the July \$67.50 puts being bought 1250X for \$3.52 as the \$62.50 puts close and adjust back

**Restaurant Brands (QSR)** the October \$57.50 calls being sold to open for \$0.85, over 2500X

**Kohls (KSS)** seeing 4000 June 10th (W) \$40 puts open for \$3.50 today as the \$41 puts roll down. **KSS** also buyers of 1000 June \$42 puts for \$5.65 today

**Expedia (EXPE)** buyer of 4000 August \$135 calls today for \$11.05, adjusting some July \$150 calls

### Energy

**ChargePoint (CHPT)** next week's \$12.50 calls hot early ahead of 5-31 earnings, 7500 trading with buyer flow up to \$0.96

**Centennial Development (CDEV)** buyers of 2000 January 2024 \$10 calls for \$2 to \$2.10, nice longer-term rising channel

**Kosmos Energy (KOS)** off the highs here as 21,000 January \$10 calls sell to open for \$1

**Array (ARRY)** buyer 6000 June \$12.50 calls \$0.64 as 4K June 10 adjust

**Enphase (ENPH)** a top solar play with 500 January \$260 calls opening today \$17.45 to \$17.75

**Occidental Petrol (OXY)** with 3500 August \$90 calls being bought for \$2.10 with the \$100 calls sold for \$0.96

**Diamond Offshore (DO)** with over 8000 January \$7.50 calls sold to open today for \$1.80 to \$1.85

**Coterra (CTRA)** opening sales of the October \$29 puts for \$1.90 this afternoon, more than 1200X

**Plug Power (PLUG)** into strength today seeing buyers of 5000 June 10th (W) \$18.50 puts for \$1.07 up to \$1.10

### Financials

**Zillow (Z)** more bull flow today as 1000 June 3rd (W) \$40 puts sold to open \$1.24 to \$1.22

**Block (SQ)** opening sellers 5000 next week \$92 calls down to \$1.48

**PayPal (PYPL)** been lagging but above 8/21 MAs here and notable buy of 1500 June \$83 calls \$5.25. **PayPal (PYPL)** also seeing 1000 June \$88 calls bought today for \$2.88 in a stock replacement

**NCR (NCR)** opening sale 1200 August \$33 puts for \$4.10

**Robinhood (HOOD)** speculative action today with 15,000 combined June \$10.50 and \$11 calls active with offer buyers

**Coinbase (COIN)** buyer of 2,500 June \$75 puts for \$8.19 today as some \$65 puts close and adjust back from 5/10 buys

**Deutsche Bank (DB)** buyers of 1950 January \$13 calls for \$0.95

**Bank America (BAC)** with 2400 June \$34 calls opening 2.86 as next week calls adjust

**Ares Capital (ARCC)** buyer of 10,000 July \$19 puts up to \$0.60 today

**PNC Financial (PNC)** with 1000 January \$175 calls sold to buy the \$170 puts today for a net \$0.70 debit, likely collaring stock

**Chubb (CB)** stock buyer opens 1000 January \$200 puts for \$12.80

### Healthcare

**Boston Scientific (BSX)** with 3,000 June 24th (W) \$38 puts sold to open today \$0.55 to \$0.50

**AbbVie (ABBV)** opening seller 10,000 August \$165 calls \$1.60 to \$1.56

**DexCom (DXCM)** seller of 550 January \$310 calls \$38.50 in a buy-write

**HCA Health (HCA)** with 750 January \$210 calls bought for \$26.70 in a stock replacement

**Mirati (MRTX)** down 33.5% today after data at ASCO and buyer of 560 January \$35 puts for \$9

**Iovance (IOVA)** into the big 55% down move today a buyer of 1800 September \$7.50/\$12.50 call spreads for \$1

**Bristol Myers (BMY)** buyers today of the June 2023 \$75 puts for \$6.90 to open, over 1650X

**Abbott Labs (ABT)** with the June 10th (W) \$117 puts bought to open today for \$2.70 to \$2.80

**Celldex Therapeutics (CLDX)** with 2000 July \$30/\$45 call spreads bought today for \$3.75

**Intra-Cellular (ITCI)** with 1000 November \$60 at-the-money calls sold to open this afternoon from \$9.30 to \$8.70, bearish trade

**Pacific Bio (PACB)** buyer of 15,000 June \$6.50 puts for \$1 and spread with the \$6.50/\$7.50 call spread sold 10,000X12,000, adjusting some weekly puts out yet again

### Industrials

**Quanta (PWR)** more bull flow today with 1250 June \$125 calls bought \$3.70 and also some buyers of July \$120 calls with June \$110/\$115 calls adjusting

**Jacobs (J)** buyer 1000 June \$140 calls \$3.57 as the \$135 adjust

**Boeing (BA)** buyers of 2000 October \$105 puts for \$6.05/\$6.10 today, stock tied



**Advanced Drainage (WMS)** with 1000 June \$110 calls bought for \$4.50, adjusting higher the \$105 calls bought recently

**General Electric (GE)** buyers of 1125 December \$90 calls for \$3.80 to \$3.85, spread with the \$105 calls sold for \$1.15

**D Local (DLO)** with more than 2900 June \$30 puts being sold to open today for \$3.10 to \$2.95 mid-day as IV drops sharply

**American Air (AAL)** the January \$18 calls being sold to open today for \$3.30, adjusting some June short calls out

**Otis (OTIS)** with spreads today selling the September \$85 calls and buying the \$75/\$65 put spread another 2000X

**Toll Brothers (TOL)** buyers of the July \$50 calls for \$3.50 this afternoon and spread with the June \$50 puts sold for \$1.87, 2000X

### Materials

**Alcoa (AA)** with 1500 June 10th (W) \$65 calls bought for \$3.45, adjusting higher the \$63 calls from earlier this week

**Freeport (FCX)** with 1400 June 2023 \$50 calls sold to open today for \$3.80

**Nutrien (NTR)** seeing 1500 June 10th (W) \$95 calls sold to open today for \$2.95 to \$2.75, seeing limited near-term upside

**Livent (LTHM)** strong today with their collaboration with Liliium and seeing buyers in the August \$45 calls for \$1.00 up to \$1.30

### Tech

**Salesforce (CRM)** ahead of 5-31 earnings seeing 2500 of next week's \$140 puts sold to open for \$1.25

**Asana (ASAN)** buyer 2500 June \$22.50 calls \$2.55 into earnings next week

**Facebook (FB)** trading 2000 June 3rd (W) / June 10th (W) \$190 calendar put spreads

**Netflix (NFLX)** morning buyers active for 1650 June 10th (W) \$192.50 puts near \$7.25

**Weibo (WB)** seller of 1350 June \$2.5 puts down to \$1.60 into earnings 6-1

**Wix.com (WIX)** opening seller 2500 June \$55 puts \$1.10

**Cisco (CSCO)** with 3500 October \$47.50 calls sold to open for \$2.06 today in a buy-write

**Toast (TOST)** opening sale 2000 Sep. \$17.50 calls for \$2.65

**Snowflake (SNOW)** opening sales 780 November \$70 puts \$4.80 after the earnings reversal yesterday

**ZenDesk (ZEN)** with 600 January \$115 calls bought for \$10, adjusting back the \$125 calls

**Ciena (CIEN)** buyer 1500 next week \$53 calls for \$1.75 with earnings 6-2

**DataDog (DDOG)** trade sells 1250 Oct. \$130 calls to buy the \$75 puts at net \$2.20 debit, could be collaring a stock holding

**Live Person (LPSN)** bull spreads in December popular again today selling the \$12.50 puts and buying the \$17.50/\$25 call spread

**Analog Devices (ADI)** with 750 June 2023 \$195 calls sold for \$10.70 today in a buy-write

**American Tower (AMT)** buyer of 750 January \$240 puts for \$14.50, stock tied

**Elastic (ESTC)** the November \$115 ITM puts being sold to open for \$53 today, 500X



**Qualcomm (QCOM)** buyer of 1,500 July 1st (W) \$145 calls for \$3.40 today

**Apple (AAPL)** seeing over 17,500 August \$145 puts sold to open today from \$9.35 down to \$9 and already has some size put sales in the August expiration

**Marvell Tech (MRVL)** with 1000 January 2024 \$80 ITM puts sold to open from \$26.80 to \$26.20. **MRVL** also with 5000 September \$65 calls opening for \$4.95 today as the June \$55 calls adjust

**KLA Tencor (KLAC)** similar seeing the June \$320 calls bought on 4/27 adjust out to buy the August \$370 calls for \$31.75 to \$32.30

**LAM (LRCX)** buyer of 1000 August \$550 calls for \$39.20, adjusting the \$460 calls bought on 5/12

### Communications/Utilities

**DISH Network (DISH)** with 5000 June 3rd (W) \$22.50 calls opening for \$0.58 as the \$21.50 calls adjust higher in strikes

**Comcast (CMCSA)** sale to open 2000 June 2023 \$47.5 calls \$3.70 not seeing much upside potential

**T-Mobile (TMUS)** opening sale of 1000 November \$130 puts for \$8.99 today, name that has held up well and nearing a breakout move

#### **Disclaimer:**

#### **Not Investment Advice or Recommendation**

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