



MARKET RECAP 6/14/2022

Sector Leaders

Energy

Retail

Software

Stock Gainers

CLR 13.5%

FDX 13%

LI 11%

PDD 10.3%

CF 8.7%

ORCL 8%

Volatility Gainers

- ORCC
- VG
- EDU
- PMT
- PLL
- INMD

High Call Volume

- UBER
- FCN
- GRMN
- ARCH
- AMR
- DOCN

Bullish Options

- MNST
- ARCH
- CF
- MOS
- PYPL
- BABA
- DOCU
- TSLA
- WDAY
- VLO
- LUV
- DOCN

Market Review: Stocks modestly rebounded into the open after Monday's nasty sell-off as investors prepare for a more aggressive Fed on Wednesday and battle a surging USD to 20-year highs. In morning data, PPI came in at expected levels for May while CPI core came in soft which helped Yields pull in while Oracle strong results boosted some Tech names. FedEx also surged on a dividend hike and enhancing shareholder value strategic moves. After a choppy opening hour breadth started to weaken and roll over and hit lows into early afternoon led by weakness in Consumer Goods, Utility, Retail, and Industrials while growth areas held up led by Software. The VIX reaction was muted, however, and we rallied off the lows but was sold into as the 10-year yield hit the highest since April 2011. We remain in a bear trend and a sell signal with measured move and volume pockets pointing towards S&P 3400-3500 before possibly finding bottom. Tomorrow will be an active session of data as well as the FOMC decision and press conference as the main catalyst.

S&P Chart:





FEATURED OPTIONS RADAR REPORT



Consumer Products Large Cap with Bullish Longer-Term Positioning

Ticker/Price: PG (\$138.15)

Analysis:

Procter & Gamble (PG) on 6/10 with 5000 August \$135/\$120 put spreads bought to open and follows a large 6/6 opening seller of 12,000 each of the August \$155 and \$160 calls. However, PG has seen some strong bull flow as well with sellers in November \$120 puts, July \$130 puts and July \$155 puts. Additionally PG with a buyer of 2000 October \$155 calls on 6/3 for \$800K and 1000 June 2023 \$145 calls on 6/1 for \$1.55M. PG also has more than 10,000 January \$150 and \$170 call sin open interest as well as more than 10,000 short January \$150 puts, so longer-term action positioned bullish. PG shares showed relative strength early in 2022 but pulled back with the market the last two weeks and sit right on VWAP off the 2020 lows as well as a long-term major VPOC and the 38.2% Fibonacci of the 2020/2022 range. As long as shares hold \$135.50, the reward/risk looks favorable at this level. Procter & Gamble is a global leader in the fast-moving consumer goods industry, primarily through mass merchandisers, e-commerce, grocery stores, membership club stores, drug stores, department stores, distributors, wholesalers, specialty beauty stores and other merchants. PG business is organized into five reportable segments: Beauty; Grooming; Health Care; Fabric & Home Care; and Baby, Feminine & Family Care under key brands like Head and Shoulders, Braun, Gillette, Crest, Oral-B, Vicks, Pepto-Bismol, Downy, Gain, Febreze, Mr. Clean, Pampers, Tampax, Bounty, Charmin and more. PG has a \$340B market cap and trades 22.8X Earnings, 4.3X Sales, 17X EBITDA and with a 2.57% dividend yield and 4.2% FCF yield. Forecasts see steady 4-5.5% topline growth with 5-7.5% EBITDA growth. PG is coming off a very impressive quarter of growth and continues to flex its top-quality operations and scale. PG indicated very little signs of trade-down worries for its premium brands and shows strong pricing power with continued market share gains. Analysts have an average target of \$165 with short interest at just 0.6% of the float. Deutsche Bank and Wells Fargo each lowered targets to near \$160 in early June on the weakening consumer and difficult cost/supply environment. Jefferies raised its target to \$185 in April citing the widening organic growth disparity to peers.

Hawk Vision:



Hawk's Perspective: PG has an attractive risk/reward here though prefer to see some market stabilization before working anything from the long-side, but definitely the best-in-class consumer products name.

Confidence Ranking: \$\$



FEATURED OPTIONS RADAR REPORT



Small Cap Insurer Draws Large Bull Bet in Call Options

Ticker/Price: UNM (\$33.70)

Analysis:

Unum Group (UNM) with 6800 July \$37.50 calls opening on 6/6 in a roll as a name that sees very little options activity, though has 2500 short December \$40 calls in open interest from a trade on 6/1 and 1800 September \$35 calls bought on 4/6. UNM has been a major relative strength name with shares +37% YTD though pulled off highs with the broad-based market selling and down 9.35% over the past week. Shares remain in an uptrend, however, and will look to bounce off support near \$32.50. Unum is a leading provider of financial protection benefits in the United States and the United Kingdom with products that include disability, life, accident, critical illness, dental and vision, and other related services marketed primarily through the workplace. UNM has a market cap of \$6.9B and trades 5.8X Earnings, 4.4X FCF and 0.64X Book with a 9.1% ROE. Forecasts see revenues with minimal 0-3% annual growth the next few years while EPS seen rising around a 14% CAGR. UNM noted last call that strong employment and wage growth supports its business. UNM also offers a 3.55% dividend yield. UNM's sentiment score on its latest call was the highest in years pointing to building momentum in growth and strong pricing. UNM also noted that rising interest rates and widening corporate credit spreads so far this year have been very beneficial in new money yields. UNM made a sharp upward revision in EPS growth guidance to 15-20% for 2022, up from 4-7% previously. Analysts have an average target of \$35 and short interest is low at 3% of the float. Citi started shares Neutral on 5/23 and most analysts have targets near the current price.

Hawk Vision:



Hawk's Perspective: UNM is a cheap value financial that can re-rate higher as business is strengthening and this is the right rate environment. The Sep. \$35 calls are cheap near \$2 to give it time to play out another quarter.

Confidence Ranking: \$\$



FEATURED OPTIONS RADAR REPORT



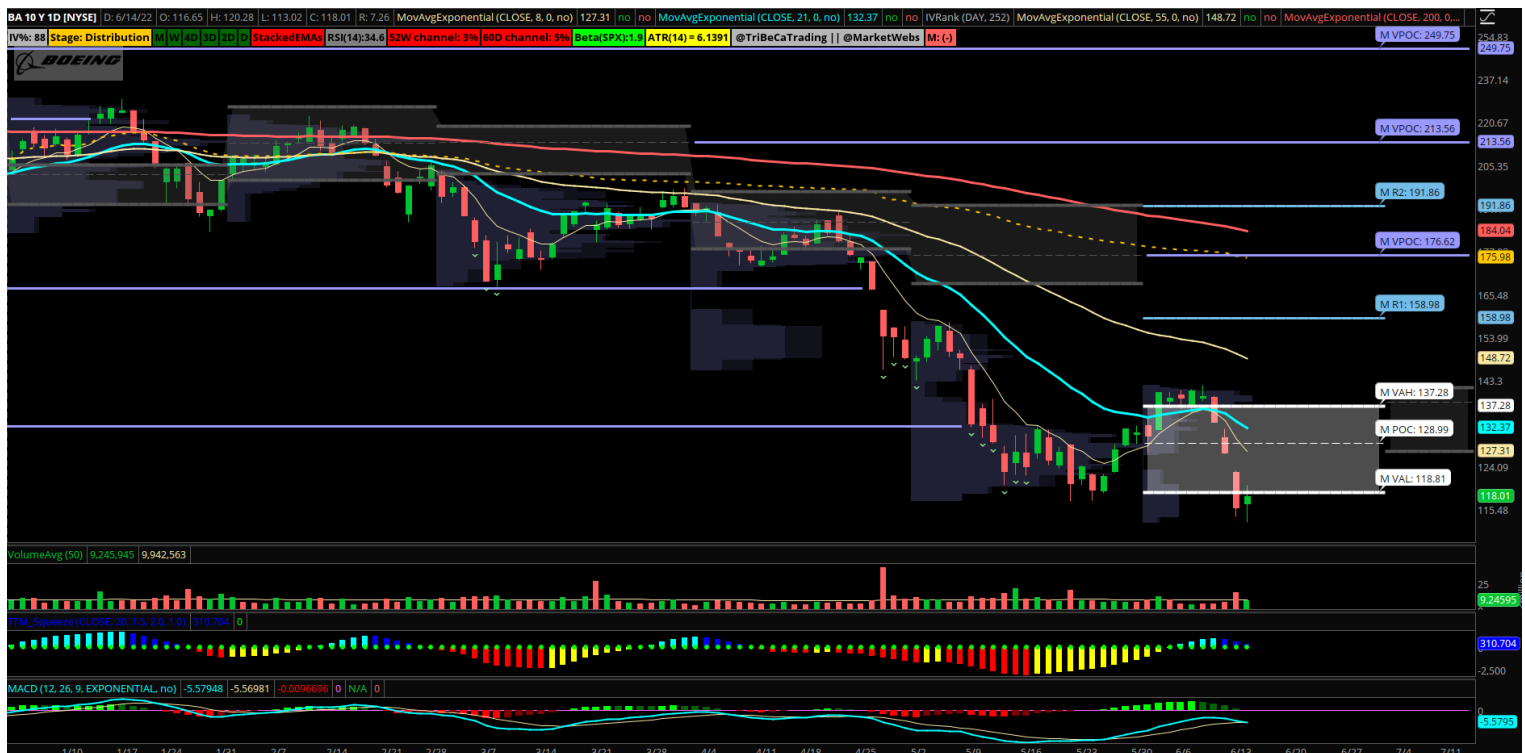
Aerospace Leader Sees Long Term Call Buyer Looking For Turnaround

Ticker/Price: BA (\$118.30)

Analysis:

Boeing (BA) with a large buyer on 6/13 for 3,500 January \$145 calls at \$8.75 for \$3.9M adjusting back \$165 calls and staying positioned for upside. Also, active buyers in March \$140 calls for \$3.5M adjusting some August calls out and on 6/14 saw 3000 November \$75 puts sell to open at \$3.20. In early June opening put sales were seen in August \$115 puts down to \$4.50 which remain in OI looking for a floor potentially near these levels. BA has had a tough year stuck in its downtrend but back near March 2020 COVID lows and very oversold near monthly value support. Potential to work back up off 115 towards 137 on a market rebound and these levels might be where it forms a base into summer. The \$70.2B aerospace company trades 20X FY23 earnings, 1.3X sales, and 5.8X cash with an improving outlook for FCF and a possible dividend returning. On 6/14, BA said it delivered 35 planes in May, on par with the previous month as it grappled with supply chain issues affecting its bestselling 737 Max jetliner. The manufacturer booked gross orders for 23 aircraft last month, the majority of them wide-body planes, whose sales have lagged narrow-body aircraft orders. Those included seven 787-9 Dreamliners for Lufthansa. In April, Boeing booked gross orders for 46 planes. Average analyst target currently is \$228 with a Street high of \$300. Morgan Stanley reiterated an Overweight rating and \$215 target this week saying they don't see the May deliveries as "meaningfully changing the Bull and Bear debate". JP Morgan also recently staying bullish with their Overweight rating and stating that the primary goal for Boeing is unchanged: deliver 737s and 787s, which will help generate cash, reduce working capital, and begin the de-levering process. Last week at the Bernstein conference, Boeing said it does not have plans to raise additional equity. Short interest is 1.8%. Hedge fund ownership rose 0.4%.

Hawk Vision:



Hawk's Perspective: BA is in a tough downtrend but potential double bottom support to trade against at these 115 lows as a key spot for a bounce to start forming a longer term base.

Confidence Ranking: \$\$

Additional Options Flow

Market/ETFs

Utility (XLU) buyer 3500 Dec. \$73 calls \$1.57+

Energy (XLE) buyer 1800 June 2023 \$90 calls \$10.10 offer. **XLE** with 10,000 Aug. 95/75 collars opening as well

7-10 Year Bonds (IEF) stock replacement buys 10,000 Sep. \$100 calls \$1.88

Corporate Bonds (LQD) buyer of 22,000 July \$107/\$102 put spreads for \$.93, also seeing 7K Nov. \$109 calls bought \$3.35

Regional Banks (KRE) buyer 9000 Dec. \$56/\$50 put spreads

Russell (IWM) large opening sale 4000 July 1st (W) \$177 ITM puts for 9.31

S&P (SPY) with 22,000 Dec. \$375 puts bought as some \$400 puts adjust

Bonds (TLT) popped off new lows as 31,000 May 2023 \$134 calls opened \$2.55 and 31,000 of the Jan. \$135 calls opened \$1.20

Medical Devices (IHI) one of the weakest groups down 2.9% and 5000 July \$51 puts open as June \$54 adjust

Nasdaq (QQQ) buyer 20,000 July \$285 calls at \$7.78 adjusts June \$290 calls

Consumer Goods

Monster (MNST) early buyer 1500 June \$86 calls for \$2.05. **MNST** trading more June \$86 calls with 1500X at \$3.20 and some \$88/\$92 call spreads

Dollar General (DG) with 1000 June \$323.5/\$220 put spreads bought

Aqua Bounty (AQB) unusual opening seller of 2400 Jan. 2024 \$2.50 puts for \$1.25, a \$122M firm focused on enhancing productivity in the commercial aquaculture industry. AQB offers AquAdvantage Salmon, a bioengineered Atlantic salmon for human consumption; and sells conventional Atlantic salmon, salmon eggs, fry, and byproducts. AQB has a \$120M market cap and trades 0.68X cash with little debt. A Director bought 15K shares at \$1.60 recently. Its Ohio farm, Farm 3, is on track for construction to start this year with stocking of salmon estimated to occur in 2023.

McDonalds (MCD) with 1250 August \$220/\$180 put spreads opening for \$3.40

Tesla (TSLA) large buyer 2250 July 8th (W) \$750 calls early for \$17.65, some relative strength today and key value support at \$625 to trade against. **TSLA** sales to open 1000 Sep. 2023 \$550 puts today near \$120.40

Coca Cola (KO) back to the 200-MA today seeing 5000 Aug. \$55 puts bought up to \$1.38

GM (GM) buyer 2500 March \$30 puts \$3.60 offer

Lucid (LCID) buyer 4000 Oct. \$12 puts \$1.82 as Aug. 17 adjust

Universal Display (OLED) with 1500 Dec. \$150 calls sold to open \$5.20 to \$5.30

Goodyear (GT) into weakness with 1500 January \$14 calls bought 1.10 to 1.20

Target (TGT) opening sale of 1050 January \$105 puts \$4.95

LoveSac (LOVE) with 1000 Dec. \$20 puts selling to open \$2.40

Beauty Health (SKIN) unusual buy 1500 August \$11 calls \$1.90

Fisker (FSR) buyer of 2400 August \$7.5/\$12.5 call spreads

Consumer/Business Services

Vroom (VRM) buyer 4000 Jan. 2024 \$1 calls for \$0.70

Airbnb (ABNB) buyer 1500 July 1st (W) \$90/\$75 put spreads. **ABNB** also with September \$75/\$60 put spreads opening over 5000X and Oct. \$95 puts bought 1800X for \$2.5M

Warner Brothers (WBD) size put action with 4500 July \$17.5 and 5000 Sep. \$22.5 puts opening as June adjust

RedBox (RDBX) buyers 12,000 July \$5 puts up to \$0.95 into this latest squeeze higher, down 30% today

TJX Co (TJX) buyer 460 Jan. 2024 60 calls \$9.35

Uber (UBER) block of 133,000 June \$12.50 ITM calls opens \$8.70, also a buyer 5000 July \$22.5 calls for \$1.40. **UBER** working higher after that \$120M call buy that clearly looks to be someone wanting to get exercised and open a large stake. **UBER** also now 1500 July 17.50 ITM calls bought \$4.50

D Local (DLO) with 3000 July \$20 ITM calls selling to open down to \$4.70

Wendy's (WEN) into lows a big buy of 5000 Aug. \$15 calls for \$3.15 with potential Trian takeover in the works

Kohl's (KSS) buyer 2500 June 24th (W) \$40 puts \$3 to \$3.10

Roku (ROKU) buyers of 1000 November \$65 puts today \$11.70 with a lot of M&A rumors of late yet continues to trade ugly

Energy

Tellurian (TELL) trade opens 2625 Oct. \$3 calls 1.19

Schlumberger (SLB) with 2000 November \$30 puts selling to open 1.12. **SLB** also with 3350 Dec 27.50 puts selling to open 0.94

Occidental (OXY) with 3000 Dec. \$35 puts selling to open \$1.53. **OXY** June 2023 \$70/\$100 call ratios open 1000X2000 at small debits

Valero (VLO) with 1875 August \$155/\$170 call spreads bought to open as July spreads adjust from lower strikes

SunCor (SU) opening seller 4000 Dec. \$60 calls 0.75. **SU** also 7000 July \$39 puts selling to open for 1.75

Permian Basin (PBT) with 1000 ITM Dec. \$20 calls bought \$5.30 to \$5.80

ONEOK (OKE) with 770 Oct. \$57.5 puts sold to open \$3.80

Apache (APA) with 20,000 short July \$40 calls adjusting to Oct. \$45 likely rolling a buy-write

EOG (EOG) spread buys 7500 July \$122.20 calls and sells 10,000 Oct. \$133.20 calls

BP opening sale 1000 August \$31 puts \$2.07

Vermilion (VET) opening sale 1000 January \$20 puts for \$3.60 in the small energy name

Scopio (STNG) jumps off lows late with 2450 July \$35 calls bought \$3.30

Chevron (CVX) with 3900 August \$140/\$110 bear put spreads opening

Financials

ING Group (ING) with 7250 January \$9 puts bought to open \$0.85 to \$0.90

Citi (C) opening sale 1000 Jan. 2024 \$72.5 deep ITM puts \$27.20. **Citi (C)** seller 5000 June 2023 \$52.5 calls to open \$3.60

Coinbase (COIN) buyers of 2000 August \$35/\$25 put spreads

Bank America (BAC) opening sale 3000 March \$33 calls 3.60

Synchrony (SYF) a name highlighted a few weeks ago with major bear flow seeing 5000 Sep. \$26/\$21 put spreads bought on consumer credit worries

State Street (STT) buyer 1100 Dec. \$47.50 puts \$2.40 with recent rumors it may buy CSFB

Medical Properties (MPW) with 2000 Oct. \$15 puts bought \$1.65

Apollo (APO) buyer 1200 July 1st (W) \$50 calls \$2.30 to \$2.50

Innovative Industrial (IIPR) unusual 400 Oct. \$110 puts bought \$13.30 to \$13.40

Goldman (GS) opening seller 400 Mar. 2023 \$300 calls for \$27.60

Affirm (AFRM) seeing buy-writes sell 1970 January \$37.50 calls \$2.24

Blackstone (BX) with 1100 December \$80 puts sold to open \$6.80. **BX** buyer 4000 September \$75/\$50 put spreads

Morgan Stanley (MS) buyer 1000 March \$80 calls \$7.30

Blackrock (BLK) buyer 1100 Oct. \$500/\$370 put spreads for \$15.50, continue to see a lot of Aug., Sep., Oct. put spreads in large caps today, and BLK tends to be highly correlated with the market

Entertainment Properties (EPR) unusual buy of 1850 January \$55 calls at \$1.25

Robinhood (HOOD) buyer of 5000 November \$9/\$15 call spreads for \$0.92

Block (SQ) buyer of 2000 October \$90 calls \$4 offer, stock replacement

NCR (NCR) buyer 5000 August \$35/\$40 call spreads for \$1.40. **NCR** also size buy July \$28/\$20 put spreads 4000X4500 as the \$22 adjust

Marqeta (MQ) buyer 2500 July \$9 puts for \$1.10

American Express (AXP) into 2022 lows with 1000 Nov. \$150 calls bought \$12.35 to open, its higher-end consumers should hold up better

Lincoln National (LNC) seller of 500 Jan. 2024 45 puts to open at 8.20

Wells Fargo (WFC) seller to open 2000 June 2023 \$40 calls \$4.95

Goldman (GS) size buyers this afternoon 1500 July \$290 puts \$16.45

Healthcare

Stryker (SYK) with 1200 July \$200 puts opening \$6.52 as June \$250 puts adjust

Revance (RVNC) with 1650 July \$12.50 puts opening \$1.45

HCA (HCA) opening seller 600 August \$180 puts for \$12

Align (ALGN) with 400 Aug. \$240 puts opening \$1.1M as July 1st (W) adjust

BioNTech (BNTX) buyer 1000 Sep. \$120 puts \$11.50 offer, will confirm OI tomorrow

Gilead (GILD) with 3825 Sep. \$60 calls sold to open \$2.14

Celldex (CLDX) buyer 3000 July \$22/\$35 call spreads for \$3.75

Medtronic (MDT) June \$91 puts opening as the \$96 puts adjust again

Boston Scientific (BSX) buyer of 2000 July \$35 puts near \$1.30

Health Equity (HQY) strong with 2500 July \$65 calls bought \$5.50 to \$5.70 this afternoon sending IV higher, coming off a strong beat and raise quarter and one of the healthier charts.

CTI Bio (CTIC) unusual buy of 2500 September \$6/\$10 call spreads for \$0.78

Industrials

United (UAL) opening buy 4000 June 2023 \$25 puts for \$3.35

Delta (DAL) buyer 20,000 July \$35 calls for 0.90 as the \$38 adjust

Southwest Air (LUV) large buy of 5000 July \$35 calls \$3.55

Boeing (BA) strength today after CEO comments and 3000 Nov. \$75 puts selling to open at \$3.20. **BA** also today with buyers in June 24th (W) \$115 calls 2500X

Jet Blue (JBLU) opening sale 1000 Sep. \$11 puts \$2.91 ITM

Cummins (CMI) with 1500 September \$170/\$130 put spreads bought to open

Materials

Arch (ARCH) trading 3000 August \$150/\$175 call spreads in morning action, continues to consolidate well

CF Industries (CF) strong rally on plunging natural gas prices, a key input cost, and 1000 August \$100 calls buy \$6.20 to \$6.40.

Mosaic (MOS) also seeing 2000 July \$55 calls with buyers \$3.05

Newmont (NEM) opening sale 1400 June 2023 \$40 puts \$1.26

Linde (LIN) buyer 1000 July \$270 puts for \$4

Cliff (CLF) buyer 2000 July 29th (W) 16/20 call spreads for 1.90

Lyondell (LYB) opening seller earlier of 500 Jan. 2024 \$94.80 puts for \$14.70

PPG (PPG) large buy of 2000 Dec. 2023 \$135 calls for \$9.70. **PPG** ugly chart but nearing major long-term VPOC on monthly \$104.50

Tech

CrowdStrike (CRWD) buyer 1000 July 1st (W) \$150/\$130 put spreads

Salesforce (CRM) with buyers active in June 24th (W) \$165 puts near \$6.15 for 1375X

DocuSign (DOCU) opening sale 2500 Dec. \$35 puts for \$3.05

Alibaba (BABA) buyers of 3800 June 24th (W) \$110 calls today with \$105 strike adjusting

Workday (WDAY) large buy 3000 July \$150 calls \$5.85 in a stock replacement. **WDAY** also 1200 Sep. \$100 puts selling to open \$2.80

Meta (META) seeing buyer activity for 4000 July \$185 calls this morning with shares now at 11.8X Earnings

Applied Materials (AMAT) buyer 1250 July \$100 calls \$4.60 to \$4.65

Digital Ocean (DOCN) size buy 3000 August \$55 calls for \$2.50. **DOCN** also 1000 Dec. \$25 puts sold to open 2.85

ASML (ASML) seeing 700 Oct. \$400/\$280 put spreads open

LAM (LRCX) buyer of 700 Sep. \$340/\$250 put spreads

Service-Now (NOW) buyer 950 August \$360/\$270 put spreads

Shopify (SHOP) buyers 250 Dec. \$280 puts for \$1.4M as growth names remain weak on the idea of a higher rate environment

Cisco (CSCO) buyer 4000 Oct. \$45 calls \$2.12. **CSCO** also 2000 Oct \$42.5 calls bought \$3.20

Sea (SE) buyer 1000 Sep. \$75 puts \$13.50

Netflix (NFLX) stock replacement sells 1000 January \$125 puts \$11.85

Snap (SNAP) with opening call sales today in November \$18 4250X and Sep. \$18 5250X

Alibaba (BABA) large opening buy 2000 Oct. \$110 calls for \$14

HP (HPQ) trade opens 3500 August \$38/\$31 bull risk reversals for \$0.40

Intel (INTC) buyer of 1500 January 2024 \$37.50 calls for \$6.90

Intuit (INTU) trading 700 Sep. \$300/\$220 put spreads similar to other growth names

GDS Holding (GDS) buyer 2000 January \$25 puts for \$6.20

Adobe (ADBE) seeing 300 Sep. 370/\$400 call spreads bought into earnings

Sierra Wireless (SWIR) buyer of 3500 September \$22.5/\$30 call spreads at \$1.90

SailPoint (SAIL) buyer of 1000 Sep. \$60 puts \$3.75, name that is being acquired

Amazon (AMZN) with more than 1500 December \$106 calls bought \$12.30+ into weakness

Communications/Utilities

Constellation (CEG) aggressive buy 1000 July \$60 calls for 1.50

Southern (SO) buyer 400 June 2023 72.50 puts for 9.60

AT&T (T) buyers of 4000 Nov. \$20 calls today near \$1.10

American Tower (AMT) buyer 400 Oct. \$240 puts for \$21.30

Comcast (CMCSA) opening sale 3500 September \$35 puts for \$1.08

Disclaimer:

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