



MARKET RECAP REPORT 6/30/2021

Sector Leaders

Silver

Energy

Apparel

Stock Gainers

VERV 20%

EDIT 18.5%

BEAM 18%

NTLA 14.5%

TSP 9.4%

CRSP 9%

CVAC 9%

GBT 8.75%

Volatility Gainers

- ACAD
- CVM
- HOME
- CANO
- BEST
- EDIT
- BEAM

High Call Volume

- CANO
- GBT
- GIS
- CDNS
- SGMO
- ACAD

Bullish Options

- ROKU
- JBLU
- XLNX
- X
- SAVA
- FUTU
- CDNS
- ACAD
- EDIT

Market Review: Stocks were modestly lower overnight with the delta variant weighing on optimism and more countries moving towards preventative measures like lockdowns. China PMI data also fell short of expectations while South Korea and Japan industrial data was light too. We also had more Fed speak about tapering with Waller noting the economy is recovering well and could justify pulling back on asset buys sooner than thought. Value saw a bit of a rotation higher today with growth pulling in a bit, potentially some end-of-quarter movement. Energy, industrials, and financials led early. We had strong earnings from staples Constellation and General Mills. ADP Employment beat easily for June while pending home sales jumped 8% M/M in May vs 4.4% decline in April. Chicago PMI missed by a wide margin. S&P traded in a very narrow range for most of the day with 4282 continuing to be a favored area over the last two days. Overnight weakness was erased early.

S&P Chart:



Resistance	Support
4,250	4,235
4,385	4,170
4,450	4,110

Options Action Trends: We saw more put sellers in utility names today like **SRE** and **DUK**. Metals saw some bullish flows again today with **AEM, X, FCX, AGI,** and **AA**.

What's On Tap: Weekly Claims, Manufacturing PMI, ISM Manufacturing, Construction Spending, Vehicle Sales; **International Data:** China Caixin Manufacturing PMI, Eurozone Manufacturing PMI, June OPEC Meeting; **Earnings Before the Open:** WBA, SMPL, MKC, LNN, AYI, AFMD; **Conferences:** Mobile World Congress 2021

Trade Tracker Portfolio Changes:

- 1) None

Sector Laggards

Utilities

Solar

Software

Stock Losers

GLBE -10%

APP -10%

CERE -9.4%

MVIS -7.6%

APPN -6.5%

MDB -5%

MGNI -5%

FLWS -4.5%

Volatility Losers

- GPRO
- ZNGA
- BNED
- ATOS
- WKHS
- CCXI

High Put Volume

- SFM
- WELL
- WEN
- QSR
- STZ
- CPNG

Bearish Options

- MSTR
- CPNG
- BSX
- MAR
- T
- MRVL
- MPC
- TTD
- SAP
- PLTR



FEATURED OPTIONS RADAR REPORT



Bulls Target Danaher After \$9.6B Aldevron Deal

Ticker/Price: DHR (\$270.75)

Analysis:

Danaher (DHR) with 1000 January \$240 puts sold to open on 6/29 for \$8.40, strong recently after their \$9.6B deal for Aldevron was announced. DHR has seen buyers in the January \$320 calls and January 2023 \$270 calls while put sales popular across the September and December expirations. Shares are breaking out of a weekly range to new highs with a measured move to \$285. DHR has a wider base breakout as well that stretches back to mid-2020 that has room up to \$320. The \$194B company trades 29.8X earnings, 7.8X sales, and 30.6X cash. DHR continues to win share across Life Sciences and Diagnostics with key brands like Cytiva, Pall, Radiometer, and Leica Biosystems. They've benefitted from a rebound in China as well as M&A deals which have expanded their capabilities within next-gen sequencing. DHR announced a \$9.6B deal for mRNA manufacturer Aldevron in June. The company helps researchers and biotech firms to develop and distribute breakthrough genetic treatments and also distributes plasmid DNA used in mRNA vaccines for COVID-19 developed by Moderna and Pfizer. Analysts have an average target for shares of \$274 with a Street High \$315 from Keybank citing their dominant position in bioproduction, acceleration and durability of demand for Cepheid's COVID-19 testing demand due to its format, and a quick return to its M&A strategy a year after closing one of the largest deals in LSTs history. Short interest is 0.8%. Hedge fund ownership rose 2.5%. Insiders active buying stock in 2021 including a \$1.4M buy on 3/2 from the COB of the Executive Committee who also bought \$6M in stock on 11/23.

Hawk Vision:



Hawk's Perspective: DHR is a best-of-breed name and a great acquirer so like the longer-term prospects of the recent deal; shares are short-term extended but re-test of the \$260 level looks nice for a further push towards \$300

Confidence Ranking: \$\$



FEATURED OPTIONS RADAR REPORT



WW Calls Target Sub Growth as 'Back to Work' Takes Shape

Ticker/Price: WW (\$35.55)

Analysis:

WW International (WW) size buyers on 6/29 of over 8,750 August \$37.50 calls starting around \$2 and up to \$2.60.

WW had buyers in early June for the January \$65 calls, July \$50 calls, and 4500 October \$50 calls. Shares traded strong after earnings up to \$40 and pulling back to the rising 50-MA this week. A move above \$37.50 clears a weekly bull wedge and longer-term measured move to \$47. The \$2.5B company trades 14.15X earnings, 1.92X sales, and 23.5X FCF. WW has been executing on their digital-first vision in 2021 while traction from the pandemic and reopening has accelerated into mid-year with 4.2M digital subs. Member retention is at an all-time high 10-months. The company has been expanding their ecommerce side with products like meal kits and optimizing their platform for better engagement.

In the 2H they plan to launch a new food program with a focus on growing out their diabetes vertical while their healthcare business represents a great opportunity. Analysts have an average target for shares of \$39 with a Street High \$50 from Craig Hallum. The firm was out on 6/4 citing studies that show Americans gained weight during the pandemic and that the return to the workplace, as well as upcoming weddings and summer barbecues, could be a catalyst for the January-centric weight management industry to outperform in 2H21. Goldman Sachs raising estimates on 5/11 as digital momentum has been much more robust than expected. Short interest is 7%. Hedge fund ownership fell 1%.

Melvin Capital a new 2.425M share position.

Hawk Vision:



Hawk's Perspective: WW needs to move back above yesterday's highs to get some momentum back near \$40 but nice risk/reward here versus the 50-day and should see momentum into the Fall and then the traditionally strong Holiday season

Confidence Ranking: \$\$

Additional Options Flow

Market/ETFs

Treasury (TLT) buyer of 30,000 October \$147/\$155 call spreads for \$1.98, working out of a small bull flag today above its 8-EMA

S&P 500 (SPX) with 44,500 September 30th (Q) \$4420 calls sold to buy the \$4060/\$3425 put spread, large collar that has been rolled before

Tech (XLK) with 2,500 December \$135 calls bought for \$16.50 to open, spread with a sale of the \$175 calls for \$0.55 and also selling the \$85 puts for \$0.22. **XLK** top holdings include AAPL, MSFT, NVDA, V and PYPL but the first two are over 41% combined

Commodities ETF (DBC) buyers of 5,500 January \$20 calls for \$0.90

ARK Innovation (ARKK) with 3,500 July 30th (W) \$135 calls bought for \$3 this morning

Financials (XLF) with 50,000 July 30th (W) \$37.50 calls sold to buy the \$36.50/\$35 put spread today

Nasdaq (QQQ) similar structure seeing 11,750 July 30th (W) \$366 calls sold to buy the \$352/\$338 put spread; both target the late July Fed meeting

S&P (SPY) similar protective spreads today are selling the September 30th (Q) \$442 calls to buy the \$406/\$364 put spread 4000X. **SPY** also seeing 10,000 July 30th (W) \$405/\$380 put spreads bought to open and separately the July 30th (W) \$421 ITM calls bought 10,000X for \$10.77 as some June (Q) calls roll. **SPY** also seeing over 100,000 September \$440 calls bought on the day from \$4.58 to \$4.80, some large blocks throughout the opening two hours

Consumer Goods

Walmart (WMT) buyers active for the July 23rd (W) \$145 calls today for \$1.17, over 5250X

Costco (COST) with 1300 October \$380 puts sold to open for \$8.22, adjusting back some short puts

General Mills (GIS) buyer of 10,000 January \$67.50 calls for \$0.90, adjusting some July calls

Lamb Weston (LW) opening sale of 1375 August \$75 puts for \$1.80 to \$1.75

Kimberly Clark (KMB) with 1000 January 2023 \$120 puts bought for \$8.90

Consumer/Business Services

Norwegian Cruise (NCLH) buyers of 3,000 August \$30 calls for \$1.98 to \$2.02, some positive updates from RCL this morning on bookings

Marriott (MAR) buyer of 1000 October \$145/\$120 put spreads for \$10.44, adjusting some July positioning

Sabre (SABR) with 5000 October \$15 calls bought for \$0.53 to \$0.55. **SABR** also with 5000 April \$10 puts sold to buy the \$15/\$20 call spread

Royal Caribbean (RCL) buyer of 800 December \$90 calls for \$8.38 to \$8.44

Melco (MLCO) with 45,000 January \$19 calls bought for \$1.13, adjusting some October calls

Energy

EQT Corp (EQT) with over 5,650 September \$22 calls bought for \$2.05 to \$2.10, consolidating in a multi-week range under \$23

Marathon (MPC) with 500 September 2022 \$57.50 puts bought for \$7.15

Golar LNG (GLNG) the August \$15/\$17.50 call spread bought 5000X today for \$0.40

Range Resources (RRC) the December \$20 calls being sold to open today 1950X for \$1.75

Diamondback (FANG) with 1100 January \$95/\$130 call spreads bought for \$8.95

Financials

Up Fintech (TIGR) buyer of 1000 October \$25 puts early for \$3.60

SoFi (SOFI) with 10,000 of next week's \$19/\$17 put spreads being bought this morning

AmEx (AXP) opening sale of 1250 September \$150 puts for \$2.57, strong name that should continue to have tailwinds from consumer spending

Visa (V) with 800 October \$255 calls bought for \$3.65, follows the big adds to the October \$240 calls yesterday

Futu Holdings (FUTU) with 400 March 2022 \$150 puts sold to open this morning for \$22.70 in a stock replacement

Schwab (SCHW) with 1000 January 2023 \$60 puts sold to open for \$5.40, stock replacement

Itau Unibanco (ITUB) with 20,000 January 2023 \$5.50 puts sold to open for \$0.87

Synchrony (SYF) with 1200 January 2023 \$40 puts sold to open today for \$4.40, stock replacement

Healthcare

Regenxbio (RGNX) with 2,550 July / August \$40 call calendar spreads bought to open for \$1.80

Moderna (MRNA) stock replacements are buying 1000 January \$300 calls this morning for \$23.50 to \$24.50

Elanco (ELAN) with 2900 August \$32 puts sold to open for \$0.55/\$0.50

Boston Scientific (BSX) buyers of 3,500 August \$42 puts up to \$1.22 to open here, follows bearish flow into **MDT** yesterday

Cano Health (CANO) with over 9500 August \$12.50 calls bought up to \$1.35 here to open, \$5.5B operator of healthcare facilities that went public via SPAC with Jaws Acquisitions

Ocular Therapeutics (OCUL) with over 1725 September \$17 ITM puts sold to open down to \$4.20 today, name that has seen December call buyers lately. **OCUL** also with 1000 December \$17 calls bought today for \$3.80

Editas (EDIT) with 2,500 August \$90 OTM calls bought for \$2.85, closing the \$55 calls and adjusting higher

Acadia (ACAD) with 3000 July \$27 calls bought here for \$0.50 to \$0.60

Cassava Sciences (SAVA) with 2,000 August \$65 puts sold to buy the \$100/\$150 call spread for a net \$1 credit, narrow flag forming in the name that has shown relative strength recently

Celldex (CLDX) with 2,500 January \$35 calls bought for \$9.10 to \$9.20 to open today, stock replacement into strength

Global Blood Therapeutics (GBT) with 5000 December \$45 calls bought for \$2.50 today, shares up 8% after buyers in the December \$40 calls yesterday 5000X

WellTower (WELL) with the September \$75 puts sold to open this afternoon for \$1.25, over 3450X

Figs (FIGS) with 1000 July \$45 calls bought today around \$5.60, recent IPO consolidating above its 8-EMA

Industrials

Nio (NIO) relative strength early and 4000 August \$85 calls bought for \$0.50. **Nio (NIO)** hot move today and seeing 1,500 November \$50 puts sold to open for \$6.95

General Electric (GE) buyer into the early lows for 50,000 January \$14 calls for \$1, pulled back to the big basing area from April/May recently

Fed Ex (FDX) with 2000 September \$310/\$270 bull risk reversals opening for \$3.25, nice pullback and base here with a move above \$300 in focus back above the 8- and 21-day

Fluor (FLR) with 2,275 January \$15 puts sold to open today for \$1.50

Toyota Motor (TM) with 1000 January \$200 calls bought for \$3.70 to \$3.80 while the \$195 calls also with buyers over 850X

Tesla (TSLA) buyer of 1000 October \$760 calls this morning from \$51.50 to \$52.80

Li Auto (LI) opening buyers of 1300 September \$39 calls or \$2.85

Ingersoll Rand (IR) with 1300 December \$45 puts sold to open for \$1.96 this afternoon

Embraer (ERJ) with 1000 August \$10 calls bought this morning for \$5.20 to \$5.30, strong name lately

GATX Corp (GATX) stock replacement buys 1500 August \$90/\$100 call spreads for \$2.60 to open today

KB Home (KBH) with 2500 January \$37 puts bought today from \$2.75 to \$2.80, tied to stock

JetBlue (JBLU) the January 2023 \$12 puts sold to open for \$1.10

Materials

Agnico (AEM) with buyers active this morning for over 4800 August \$60 calls up to \$3.40, pulled back to April VPOC

Alcoa (AA) large opening sale today of 2000 January 2023 \$32 puts for \$5.90

Alamos Gold (AGI) with 3000 September \$7.50 puts sold to open for \$0.50

Builders First (BLDR) with 1000 August \$42 puts sold to open for \$2.55, shares back at June support

Constellium (CSTM) with 2000 August \$18 puts sold to open for \$1 today

Packaging Corp (PKG) with 600 January \$125 puts bought for \$6.15 with stock

Freeport (FCX) with 5000 January \$43 calls bought for \$2.89

US Steel (X) the July \$22 ITM calls bought 5000X today from \$2.13 to \$2.15

Acuity Brands (AYI) opening buyer of 1000 July \$180/\$160 put spreads for \$3.85 into earnings tomorrow morning, lower in six of the last eight

Tech and Telecom

Palantir (PLTR) next week's \$27/\$25 put spread bought 10,000X to open. **PLTR** with buyers of 2,850 November \$26 puts now for \$3.25 to open

Marvell Tech (MRVL) over 3,000 November \$50 puts bought for \$1.75 into strength

AT&T (T) with buyers in the August \$30 puts for \$2.02, over 32500X as some July puts adjust out

Cadence Design (CDNS) buyers active for 3,450 January \$135 calls up to \$14.10 to open, size buy in a high-quality name. **CDNS** fading to red on the day but seeing 1000 January \$100 puts sold to open for \$2.20

Blackberry (BB) with IV jumpy as 5000 July \$13.50 calls bought up to \$0.57

Salesforce (CRM) with 1000 October \$230 calls bought for \$24.15, spread with a sale of the August \$200 puts

DocuSign (DOCU) buyer of 1565 September \$330 calls today for \$6.90, adjusting the August \$310 calls bought recently

Coupang (CPNG) the September \$40/\$30 put spread opening 3850X for \$2.85

Big Commerce (BIGC) with 5000 July \$70 calls bought for \$1.15 in a stock replacement this morning

SAP SE (SAP) weak today with 650 December \$135 puts bought for \$6.60 to open today

Trade Desk (TTD) with 650 October \$78 puts bought for \$8.80

Xilinx (XLNX) with 1000 December \$130 puts sold to open for \$8.50, being acquired by AMD and got unconditional approval today for their deal by the EU

Roku (ROKU) shares ramping higher and 975 September 2022 \$540 calls bought for \$73

Unity (U) with over 2250 January \$155 calls sold to open for \$4.30 to \$4.20

Micron (MU) into earnings tonight seeing 3000 September \$92.50 ITM puts sold to open for \$11.20 to \$11

Utility

Vistra (VST) off the lows of the day earlier with 2,500 October \$21 calls bought for \$0.45

Next-Era (NEE) with 1,250 January 2023 \$75 puts sold to open for \$9.90 today

Sempra (SRE) with 1500 August \$130 puts sold to open today for \$3.40 as the July short puts adjust out; **DUK** similarly seeing 2000 August \$97.50 puts sold to open for \$2.40, adjusting some July short puts

Disclaimer:

Not Investment Advice or Recommendation

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