



**MARKET RECAP 7/30/2021**

### Sector Leaders

REITs

Healthcare

Utilities

### Stock Gainers

TEAM 21.5%

DXCM 13.5%

CPRI 11%

LI 9%

KLAC 8.5%

XPEV 7.5%

### Volatility Gainers

- ATOS
- SAVA
- LVOX
- GOGO
- APT
- LHDH

### High Call Volume

- TXRH
- TEAM
- HP
- GPN
- MAS
- FOXA

### Bullish Options

- ROKU
- COG
- SNAP
- SNOW
- SQ
- HP
- MAS
- WLL
- AMBA
- X
- PTON
- DOCN

**Market Review:** Stocks were sharply lower to close the week, and month, dragged by some sharp selloffs in Tech names that reported on Thursday. Adding to the anxiety is growing evidence of the COVID Delta variant being more troublesome than anticipated. In morning data inflation came in soft while Personal income/spending beat expectations. The final Michigan Consumer confidence print was slightly above the flash number and continues to show some cautiousness from the consumer around inflation and high prices. Tech was weak early after the Amazon report (although AWS and advertising were both quite strong) but bouncing back to test the 8-EMA from below. Energy was the other weak area weighed down by top components like Chevron and Exxon even though WTI traded well. The Russell continues to find resistance at YTD VPOC while the Nasdaq is below its 8-EMA for the first time since mid-July. Overall, remains a cautious environment given how close to resistance we currently are trading and the risk/reward skewed more negatively while a move outside of this range would pullback to 4350 and the 21-EMA.

### **S&P Chart:**



Resistance	Support
4,400	4,315
4,450	4,225
4,500	4,165

**Options Action Trends:** It was a quiet day overall. We saw some married put positions open in reopening names **SIX** and **HLT**. We saw August call sales in some names making big moves post-earnings like **DXCM**, **TEAM**, and **ALGN** and likely overwriting stock.

**What's On Tap:** It'll be a quiet week for bigger macro events with US ISM manufacturing on Monday and the jobs report on Friday. Earnings season will remain heavy with big reports from **RACE**, **CLX**, **COP**, **DD**, **KKR**, **LLY**, **MAR**, **ATVI**, **LYFT**, **MTCH**, **CVS**, **GM**, **ALL**, **BKNG**, **EA**, **ETSY**, **MET**, **MGM**, **ROKU**, **UBER**, **WDC**, **W**, **BYND**, **EXPE**, **SQ**, and many more.

### **Trade Tracker Portfolio Changes:**

- 1) No Changes

### Sector Laggards

Energy

Tech

Financials

### Stock Losers

SAVA -30%

TBIO -20%

PINS -18.5%

ZEN -15%

UPWK -10%

W -8%

### Volatility Losers

- PINS
- UPWK
- LLNW
- TWOU
- MGI
- BLMN

### High Put Volume

- SIX
- ZEN
- NLOK
- AEO
- DRI
- JWN

### Bearish Options

- ORCL
- MNKD
- ALL
- ING
- MT
- EVGO
- LOGI
- DRI
- LCII
- AEO
- CLF
- POSH



## FEATURED OPTIONS RADAR REPORT



### Call Spread Sees Americold Clearing Range to New Highs

**Ticker/Price:** COLD (\$38.80)

#### Analysis:

**Americold (COLD)** buyer on 7/28 of 3,500 January \$40/\$45 call spreads for \$2, unusual size for the name that is flagging in a nice weekly range under recent highs. The \$9.67B company trades 65X earnings, 4.5X sales, and 33.5X cash with a 2.25% yield. COLD is a REIT that focuses on temperature-controlled warehouses with over 1B cubic feet of capacity across 242 facilities. They are a key part of the supply chain for food producers, distributors and retailers to getting products to consumers. COLD has a 21% market share and key relationships with producers like ConAgra, Danone, LambWeston and Kraft. The company has multiple avenues for growth including price/rate hikes, redevelopment opportunities including sale/leaseback deals with producers, industry consolidation and expansion into new markets. COLD made a nice M&A deal in October for Agro Merchants for \$1.74B, the fourth largest temperature-controlled warehouse company globally and the third largest in Europe. The deal will take some time to integrate as Agro has been a serial acquirer themselves but it positions COLD well long-term as they add more scale and square footage outside the US. It also gives them flexibility to do more tack-on M&A that will consolidate fragmented parts of the industry. Analysts have an average target for shares of \$44 with a Street High \$45, limited coverage. Keybank started coverage on 6/7 and positive on the name as they are positioned to benefit from a recovery in the refrigerated warehouse supply chain that could help boost average occupancy. Americold is poised to post premium funds from operations growth and its future external growth is supported by a strong balance sheet. Short interest is 3.45%. Hedge fund ownership fell 3.85% in Q1, Victory Capital a buyer of 1M shares. In December a director bought \$335K in stock at \$33.50.

#### Hawk Vision:



**Hawk's Perspective:** COLD is a solid name that is making smart moves to gain a dominant position in their niche market, trading in the middle of a range here is tough but one to target either back near the 200-day or on a trigger through \$40 with earnings a catalyst next week

**Confidence Ranking:** \$\$



## FEATURED OPTIONS RADAR REPORT



### Centene Calls Target Long-Term Breakout as Focus Turns to Margin Growth

**Ticker/Price:** CNC (\$69)

#### Analysis:

**Centene (CNC)** late day buyers on 7/29 for 10,000 December \$80 calls for more than \$1.4M and name that has bullish longer-term positioning in the September and December options from mid-May that remains in OI. Shares broke down out of a multi-week range this week on earnings with the 200-day just below around \$65.50 as ideal support. Longer-term, CNC is in a big monthly flag under \$75 with a breakout targeting \$100. The \$40.5B healthcare company trades 12.2X earnings, 0.35X sales, and 8.25X FCF with low-double digit growth. CNC hosted an investor day in June which signaled an emphasis towards margin expansion and growing EPS to \$8/share by 2024. CNC expects to utilize more financial discipline as well as consolidate platforms, invest in tech, and focus more on value-based contracting to drive profitability. The company longer-term aims to keep their leadership position in Medicaid and Marketplace while Medicare an area where they can see growth, especially at a time when the possible enrollment pool is expected to jump. Analysts have an average target for shares of \$83.50 with a Street High \$93. Seaport Global starting coverage at Buy in July expecting enrollment growth and margins to mostly expand in 2021 while the opportunity overall for managed care to extend more coverage to more individuals seems tremendous. BMO positive in June after their investor day citing the multi-year growth potential as high-acuity Medicaid populations are brought into managed care. Short interest is 1.5%. Hedge fund ownership fell 3% in Q1. Point72 a buyer of more than 1M shares.

#### Hawk Vision:



**Hawk's Perspective:** CNC looks destined to revisit the 200-MA at \$65.50 which would be a big area of interest for a rebound back into the prior volume node; longer-term, like the plan they put forth in June and think they can be a strong long-term value name in the space

**Confidence Ranking:** \$\$



## FEATURED OPTIONS RADAR REPORT



### Unusual Large Call Buy in C-Store Leader

**Ticker/Price:** MUSA (\$147.40)

#### Analysis:

**Murphy USA (MUSA)** large trade bought 2200 September \$130 calls on 7/28 for \$4.6M ITM into earnings and with shares not reacting much on results, a position to take a closer look. MUSA shares are in a longer-term rising channel of higher highs and higher lows while the sideways \$120/\$140 range break measuring to \$160. MUSA is a chain of 1503 gas station/convenience stores in 25 states primarily in the Southeast, Southwest and Midwest and strategically located near Walmart stores. MUSA collaborates with Walmart on fuel discount programs, included in the new Walmart+ launch. MUSA is an industry leader in per-site tobacco sales with its low-priced tobacco products and in total store sales per square foot as it also sells a growing assortment of single-serve/immediate consumption items. MUSA has a \$3.9B market cap and trades 8.8X EBITDA, 17.55X Earnings, and 9X FCF with a 0.7% dividend yield. Revenues are seen jumping 47% this year off easy comps as travel returns. MUSA firmly beat estimates on EPS and revenues this week and increased its guidance for new stores. MUSA continues to operate well as a best-in-class name and management was optimistic on the outlook for fuel margins. Analysts have an average target of \$160 with short interest at 6% of the float. Goldman is at Sell worried about the c-store operators with rising input cost pressures and MUA pivoting to riskier foodservice and beverage markets. RJF upgraded to Outperform this week with a \$165 target positive on pricing leading to better margins despite price pressures from rising oil prices and the QuickCheck acquisition in the early stages of integration. Hedge Fund ownership rose 2% last quarter, River Road with a 1.7% weighting as its 17<sup>th</sup> largest position.

#### Hawk Vision:



**Hawk's Perspective:** MUSA is a cheap valuation name and a best-in-class play in a highly fragmented industry and the Walmart+ could be an upside driver. It is a low margin business, however, and a retest to around \$142 likely a solid entry.

**Confidence Ranking:** \$\$



## FEATURED OPTIONS RADAR REPORT



### Bull Target Permian Basin Leader into Weakness

Ticker/Price: PXD (\$147)

#### Analysis:

**Pioneer Natural (PXD)** will report after the close on 8/2 and shares higher five of its last six reports, an average max move of 5.65%. PXD on 7/21 with nearly 3000 September \$150 calls bought to open for over \$2M as well as December \$150 calls bought for \$1M and a name that has 6000 January \$150/\$190 call spreads in open interest from a large buy back on 2/22. PXD shares recently dipped to its rising 200-day moving average with energy weakness but has started to recover with major resistance of the range up near \$167. Pioneer is a large independent oil and gas exploration and production company that explores for, develops and produces oil, NGLs and gas within the United States, with operations in the Permian Basin in West Texas. PXD has been aggressive over the last year in building out their leading acreage position in the Permian and deploying capital towards deals with their Parsley acquisition in 2020 and their DoublePoint deal in early April. PXD has a market cap of \$35.85B and trades 6.5X EBITDA, 8.2X Earnings and 30.8X FCF with a 1.55% yield. Forecasts see EBITDA rising 177.6% this year and 37% in 2022. PXD expects to generate \$23B cumulative FCF over the next six years which can lead to a large dividend yield. Analysts have an average target of \$210 and short interest is low at 2.6% of the float. Piper raised its target to \$218 on 7/22 seeing attractive entry into E&P names. Bernstein upgraded to Outperform on 6/21 with a \$202 target expecting \$75 oil as a baseline. Hedge Fund ownership fell 6% in the latest quarter.

#### Hawk Vision:



**Hawk's Perspective:** PXD is a favorite Oil & Gas name along with FANG and has been weak due to integrating large deals, the recent 200-MA test a good level to trade against.

Confidence Ranking: \$\$

## **Additional Options Flow**

### **Market/ETFs**

**Nasdaq (QQQ)** spread is buying 5000 March 2022 \$360 calls for \$27.61 and selling 10,000 October \$382 calls for \$4.74

**Russell (IWM)** the October \$206 puts being sold to open today 5000X for \$4.63 in a stock replacement

**Regional Banks (KRE)** buyers of 7000 September \$62/\$56 put spreads today for \$1.50

### **Consumer Goods**

**Peloton (PTON)** IV rising all morning with 2850 September \$135 calls active with buyers, earnings 8-26

**Vizio (VZIO)** with 1000 February \$30 calls sold to open \$1.85

**Camping World (CWH)** opening sale of 1,700 January \$40 at-the-money puts for \$6.38, follows some smaller bullish call buys recently with earnings on 8-3 and basing above the 200-day

**Oatly (OTLY)** another 2000 August \$17.50 calls being bought today for \$1.75, spot where 2000 bought earlier this week

**Logitech (LOGI)** buyer of 3250 December \$105 puts \$7 adjusting out of September \$120 puts

**WW (WW)** buyers of 4600 August 13th (W) \$32 calls for \$1.30 to \$1.35 ahead of 8-10 earnings, still has 6000 August \$32.50 calls in OI from buyers

**LCI Industries (LCII)** with 1000 August \$145 puts bought for \$5 today into 8-3 earnings

**Costco (COST)** buyers of the August 27th (W) \$440 calls for \$3.75, 2150X ahead of 8-4 sales results for July

**Kroger (KR)** with 6000 September \$41 puts opening today for \$1.70 tied to stock

### **Consumer/Business Services**

**Texas Roadhouse (TXRH)** into weakness seeing 1250 September \$85 puts sold to open down to \$1.37 this morning. **TXRH** now also seeing the December \$95 calls open for \$8, over 8750X, as the September \$90 calls close and adjust again

**Abercrombie (ANF)** with 1250 August \$40/\$45 call spreads being bought today for \$1.45, adjusting some weekly calls out

**Fox (FOXA)** buyer 3940 next week \$36 calls \$1.05 to \$1.07, reports 8-4

**Unity (U)** stock replacement buys 1575 January \$115 calls \$11.60

**AMC Entertainment (AMC)** opening sales 5500 March \$55 calls for \$6.5M in buy-writes

**Penn (PENN)** buyer 2000 September \$80/\$90 call spreads into day lows, reports 8-5

**Uber (UBER)** sale to open 1500 March \$40 puts \$3.80. **UBER** also seeing 1000 March \$50/\$70 call spreads bought today for \$3

**Darden Restaurants (DRI)** with buyers of near 2,400 August \$145 puts for \$3.20 and some spread with sales of the \$160 calls for \$0.50, around 1000X

**New Oriental Education (EDU)** buyers of 4000 December \$3.50 puts for \$1.65

**Kohls (KSS)** spread here is selling the August 6th (W) \$48 puts 1500X and buying the \$51/\$53 call spread 1500X2250, shares back at the 200-MA

**the Gap (GPS)** spreads this afternoon are selling the December \$27 puts to buy the \$32/\$42 call spread 2400X

**American Eagle (AEO)** with 5000 September \$30 puts bought up to \$1.01

**Six Flags (SIX)** buyer of 5,000 September \$37.50 puts for \$1.49, adjusting back the \$30 puts that were bought with stock recently

**CarGurus (CARG)** with 2,500 August \$30/\$27 strangles bought for \$2.35 ahead of 8-5 earnings

**Poshmark (POSH)** buyer of 1,500 August \$35 puts for \$1.95, adjusting some puts down

**Hilton (HLT)** buyer of 1500 January \$100 puts for \$3, stock tied

**Norwegian Cruise (NCLH)** with 8500 January \$32.50 calls opening for \$1.45 today as the \$40 calls adjust back 6500X

**DoorDash (DASH)** with 200 November \$175 calls bought today for \$20.50 to \$21. **DASH** now also seeing buyers of the August \$170/\$150 put spreads for \$5.90 with the \$200 calls sold for \$2.80, over 3000X

**Take-Two (TTWO)** buyer of 500 January \$170 puts for \$14.20, stock tied ahead of earnings next week 8-2

**Wynn (WYNN)** IV rising this morning with buyers of 2000 August \$95 puts for \$2.88 to \$3.05

**Marriott Vacations (VAC)** with 600 January \$140 puts bought for \$11.50, tied to stock

**Disney (DIS)** buyers of more than 3650 August \$182.50 calls this afternoon for \$2.30

### Energy

**Helmerich & Payne (HP)** with 10,000 September \$32.50 calls bought for \$1 as the August calls adjust out

**CNX Resources (CNX)** with 2,000 January \$12 puts sold to open for \$1.50 and 2,000 of the January 2023 \$12 puts sold to open for \$2.35 today

**Cabot Oil (COG)** buyers 1875 next week \$15 calls into early weakness, size October calls bought yesterday

**Whiting Petro (WLL)** opening sale 1500 November \$45 puts \$4.40

**Conoco (COP)** stock replacement sells 1,500 December \$55 puts for \$4.60

**TC Energy (TRP)** with 5000 February \$50/\$40 bull put spreads opening today for \$2.95

**Enphase Energy (ENPH)** with 5000 August \$220 calls sold to open for \$1.20 to \$1.16. **ENPH** also seeing 900 September \$140 ITM calls bought today around \$48 to \$48.35, some Aug. ITM calls adjusting

**Philips (PSX)** with 1000 January \$85 calls bought for \$2.50 today

### Financials

**Square (SQ)** with 900 August 13th (W) \$252.50 calls bought up to \$10.40 in early trading, shares back at the 21-EMA

**PaySafe (PSFE)** buyers of 1000 August \$8 ITM calls for \$3.05 today, name with a lot of bullish January call open interest

**Visa (V)** buyer 1200 November \$250 calls to open \$10.20

**Metlife (MET)** the January 2023 \$50 puts sold to open for \$5.20, 3000X in a stock replacement

**Wells Fargo (WFC)** with 2450 December \$42.50 calls bought for \$5.40 to \$5.45 as some calls adjust out

**Global Payments (GPN)** getting a lift here with 2,500 September \$210 calls bought for \$2.40 ahead of 8-2 earnings, higher six of the last ten. **GPN** now also with 2000 September \$200/\$230 call spreads bought for \$4.06

**MicroStrategy (MSTR)** buyers of the September \$850 calls for \$26.20, 220X

**S&P Global (SPGI)** buyers of the January \$330 calls for \$101, over 3000X as the October \$350 calls from 7/23 adjust out

**Synchrony (SYF)** buyer of 2000 September \$50 calls for \$1.08 to \$1.22, trading with the September 3rd (W) \$50 calls sold in calendar spreads

**KE Holdings (BEKE)** today seeing 1600 January \$25 calls sold to open from \$4.10 to \$4

**NCR** buyers of 1250 August \$45 calls this afternoon for \$1.75 ahead of 8-3 earnings

**Willis Towers Watson (WLTW)** the October \$220/\$230 call spread being bought 1000X for \$2.10 today into 8-3 earnings

**Manulife Financial (MFC)** with 5500 March \$19/\$15 bull put spreads opening today for \$0.95 and earlier similar **BMO Financial (BMO)** with 5,000 March \$100/\$80 bull put spreads opening for \$5.23

**Voya (VOYA)** opening sale of 5000 August \$65 calls for \$1.65

### Healthcare

**Organon (OGN)** recent spin basing for a while now with 1000 September \$30 calls bought \$1.45, earnings 8-12

**Cassava (SAVA)** with 2000 September \$140 calls sold to open this morning for \$6.80 to \$5.80, some questions raised today about the strength of their data

**ThermoFisher (TMO)** the October \$560/\$490 bull risk reversal opening today for \$4.50, over 925X

**Lucira Health (LHDX)** popping here with 1500 August \$10 calls bought for \$1.15/\$1.25, small-cap diagnostics company

**Alnylam (ALNY)** with 300 December \$150 synthetic long positions opening as August calls adjust

**Align (ALGN)** opening sale 1000 August \$750 calls \$3

**Amicus Therapeutics (FOLD)** buyers of the September \$10 calls for \$0.50 today, over 2000X

**Certara (CERT)** buyer of 1000 September \$30 calls for \$1.41 ahead of 8-5 earnings

**DexCom (DXCM)** with 300 December \$500 calls bought for \$45.50 today, adjusting back some higher strike calls with shares breaking out on earnings

### Industrials

**Masco (MAS)** after an ugly candle yesterday continues a long 200-MA base and bull flow this morning with over 2000 October \$60/\$55 bull risk reversals opening around \$1.20 debits. **MAS** spreads now over 6000X

**American Air (AAL)** with buyers in the September \$20 puts for \$1.17 to \$1.18 today, over 5500X

**Trane (TT)** with 400 March \$170 ITM calls bought today for \$37.50, a best-in-class HVAC play

**Fortiv (FTV)** buyers this afternoon of 1000 September \$75 calls for \$1.20 to \$1.30

**United (UAL)** opening sale of 5000 June 2022 \$30 puts for \$1.51

### Materials

**Livent (LTHM)** buyers of 1000 October \$20 calls for \$2.10 to \$2.15, basing above the 200-day in a multi-week range ahead of 8-5 earnings, higher three of the last four

**US Steel (X)** up 4% on results after size opening sales in June 2022 puts yesterday and now seeing buyers active October \$29 calls 6000X. **X** the October \$29 calls over 18,850X now on the day and 5000 being bought with the \$37 calls sold in spreads

**Freeport (FCX)** with 1000 June 2022 \$42 calls opening \$4.50 to \$4.53, stock replacements

**Cliff's Natural (CLF)** buyers of 3500 August 27th (W) \$22 puts for \$0.60

**Dow Chemical (DOW)** with 1000 March \$55 puts sold to open for \$3.70, stock replacement

### Tech and Telecom

**Snap (SNAP)** with 3,000 September \$80 calls bought for \$2.74 to \$2.75

**Amazon (AMZN)** buyer 1000 October \$3450 calls \$113.62 into early weakness

**Roku (ROKU)** Aug. 6th (W) \$500 calls being bought 1500X here into earnings 8-4

**Snowflake (SNOW)** Aug. 6th (W) \$267.5 calls hot early 1825X with buyers up to \$6.30

**Jumia (JMIA)** with 1000 August 13th (W) \$22 calls bought for \$2.09 ahead of 8-10 earnings

**Gogo Wireless (GOGO)** opening buyers of 3,500 August \$8 ITM calls for \$2.60 ahead of 8-5 earnings

**Ambarella (AMBA)** more November \$100 calls being bought today 900X from \$10.10 to \$10.70, spot where 1000 bought earlier this week

**Pubmatic (PUBM)** buyers of 1000 January \$60 OTM calls for \$2.60 today

**Oracle (ORCL)** size buyers 4000 September \$90 puts \$4.90 offer

**E2Open (ETWO)** with 2,000 August \$7.50 calls bought for \$2.85 today, shares back at YTD VPOC

**Xilinx (XLNX)** with 700 December \$150 calls being bought this morning up to \$14.45 to \$15.85, moving with AMD. **XLNX** also with 500 January \$165 calls bought for \$10.75

**Atlassian (TEAM)** now also seeing the December \$280 calls open over 9500X for \$67.43 as the \$230 calls close and adjust higher

**ACM Research (ACMR)** with 1000 August \$110 calls bought this morning for \$1.85 to \$2, flagging around the 21-EMA

**LiveVox (LVOX)** with 3,500 September \$10 calls bought for \$0.40 today, small-cap maker of cloud-based digital engagement tools for customer services

**DocuSign (DOCU)** stock replacement buys 300 November \$340 calls \$12.40

**Keysight Tech (KEYS)** highs of the day and buyers of the September \$165 calls for \$5.60 to \$5.70, over 400X

**Z-Scaler (ZS)** buyer of 520 September 3rd (W) \$255 calls for \$5.01 today, earnings expected in early Sept.

**Teradyne (TER)** buyers of 500 January \$150 calls this afternoon for \$5.20, coiled above its 200-MA

**DataDog (DDOG)** jumpy off the lows here with the August \$112 calls bought for \$5.20 to \$5.30, over 4500X, earnings on 8-5

**Silicon Motion (SIMO)** strong move on earnings and August IV lifting this afternoon with 1000 of the \$70 calls bought up to \$5.70

**Pinterest (PINS)** stock replacements this afternoon are selling 2000 February \$45 puts for \$3.20 to \$3.10

### Telecom/Utility

#### **Disclaimer:**

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

*Any descriptions "to buy", "to sell", "long", "short" or any other trade related terminology should not be seen as a recommendation. The Author may or may not take positions in any of the names mentioned, and is not obligated to disclose positions, nor position sizes.*

Content is for informational and educational purposes only, and is not to be construed as specific investment advice or recommendations. You alone will need to evaluate the merits and risks associated with the use of this content. Decisions based on information provided are your sole responsibility, and before making any decision on the basis of this information, you should consider (with or without the assistance of a financial and/or securities adviser) whether the information is appropriate in light of your particular investment needs, objectives and financial circumstances. Investors should seek qualified professional financial advice regarding the suitability of investing in any securities or following any investment strategies.

No reference to any specific security constitutes a recommendation to buy, sell or hold that security or any other security. Nothing constitutes investment advice or offers any opinion with respect to the suitability of any security, and the views expressed on this website should not be taken as advice to buy, sell or hold any security. In preparing the information contained in this website, OptionsHawk has not taken into account the investment needs, objectives and financial circumstances of any particular investor. This information does not consider the specific investment objectives, financial situation and particular needs of any specific recipient of this information and investments discussed may not be suitable for all investors