



Sector Leaders

Consumer Disc.

Internet

Transports

Stock Gainers

- AXP 10.5%
- ALV 8%
- LHX 7%
- COIN 7%
- W 5%
- TSLA 5%

Volatility Gainers

- RETA
- AI
- PSTG
- HDB
- HUM
- VTRS

High Call Volume

- CRTO
- IGT
- LEVI

Bullish Options

- META
- SQ
- COIN
- AMD
- ITUB
- ROKU
- CCJ
- SAM
- STNE
- CRWD
- NTES
- HAE
- ASML
- ALNY

Market Review: Stocks dipped overnight after the Intel report weighed on some Tech names and a market that has rallied sharply into resistance. Crude Oil was an early standout as China optimism continues to drive upside. In morning data Personal Spend/Income was a bit light with negative revisions while inflation data was right around the expected level and a muted response from futures with the VIX under 19. Consumer Sentiment came in a bit better than expected. After a strong opening hour and Nasdaq hitting its upper monthly value target we saw breadth weaken and show signs of a reversal lower following a big run. Consumer Discretionary was strong once again along with Internet stocks while Transports rebounded. Metals and Solar were weak once again while Semis were a drag on Tech. We are hitting some key resistance levels into the bulk of earnings season while NAAIM a concern with overly bullish indications. Central Banks are in focus next week as well.

S&P Chart:



Resistance	Support
4030	3900
4110	3800
4200	3700

Options Action Trends: We had some put buyers in Energy names, specifically Gas, with LNG, DVN. CHK,CHK, OXY. We then saw large January buy-writes in Staples like CL, PEP.

What's On Tap: On the economic front we get ISM numbers next week and close the week with January PMIs and the Jobs Report. It will be a major week of earnings with reports from GOOG, AAPL, AMZN, META, LLY, PFE, TMO, MCD, TMUS, UPS, QCOM, HON, CAT, AMGN, AMD, SBUX, EL, SYK, MDLZ, REGN, APD, HUM and others. Fed and ECB Meetings also will be in focus.

Trade Tracker Portfolio Changes:

1. Closed **CCJ** Feb \$26 Calls for \$2.40, small win, but turned loser into winner w/ the roll

Sector Laggards

Meals

Semis

Solar

Stock Losers

- CRC -8%
- INTC -8%
- CALX -7%
- HAS -6%
- APPF -5%
- GT -5%

Volatility Losers

- LHX
- KNX
- GME
- INTC
- HCA
- LEGN

High Put Volume

- ITOS
- HDB
- USFD
- RETA
- BMBL
- DISH

Bearish Options

- PSTG
- CRC
- PARA
- CHWY
- DVN
- LNG
- EXC
- AXP
- MPW
- ITOS
- CHK
- OXY



FEATURED OPTIONS RADAR REPORT



Massive Call Position Sees Further Upside for Pharma Services Company

Ticker/Price: MCK (\$384)

Analysis:

McKesson (MCK) large trade on 1/20 bought 3000 May \$380 calls to open for nearly \$7M and follows an opening sale of 3000 February \$350 puts on 12/19 and an opening sale of 1000 February \$370 puts on 1/11 with the company set to report on 2/1. MCK was a top performer in 2021 and shares forming a consolidation triangle the last few weeks with \$385 key to breaking out of the weekly flag that measures to an upside target of \$410 with the rising 21-week EMA supportive since 2022. MCK is a diversified healthcare services leader dedicated to advancing health outcomes for patients everywhere. U.S. Pharmaceutical, Prescription Technology Solutions (“RxTS”), Medical-Surgical Solutions, and International are its four segments. The U.S. Pharmaceutical segment distributes branded, generic, specialty, biosimilar and over-the-counter pharmaceutical drugs, and other healthcare-related products. Specialty drugs (e.g., treatments for cancer, Hep C, rheumatoid arthritis) are becoming an increasingly large part of total pharmaceutical spend. Margins for the distributors hover in the low single-digit range; however, the industry in aggregate has experienced steady increases due in part to diversification into higher margin businesses as well as gains derived from enhanced purchasing platforms. Importantly, annual cash generation is robust, with relatively low capex and effectively zero R&D requirements, which allows for a high amount of flexibility to pursue shareholder-enhancing initiatives/M&A. Favorable trends include innovative therapies, shifting sites of care, aging population, value-based care, and digitization of healthcare. MCK has a market cap of \$54.5B and trades 14.55X Earnings, 11X EBITDA and 14.7X FCF with revenues seen growing 3-6% annually with EPS growth seen accelerating in 2024/2025. MCK recently spoke at the JPM Healthcare Conference highlighting the \$55B Oncology opportunity. MCK also highlighted exciting opportunities in Biopharma services. Analysts have an average target of \$425 with short interest low at 1.5% of the float. Baird recently raised its target to \$445 on utilization and pricing trends.

Hawk Vision:



Hawk's Perspective: MCK was a top pick into 2022 that did very well and although ABC screened more favorable for 2023 both offer attractive valuations with improving margins/growth.

Confidence Ranking: \$\$



FEATURED OPTIONS RADAR REPORT



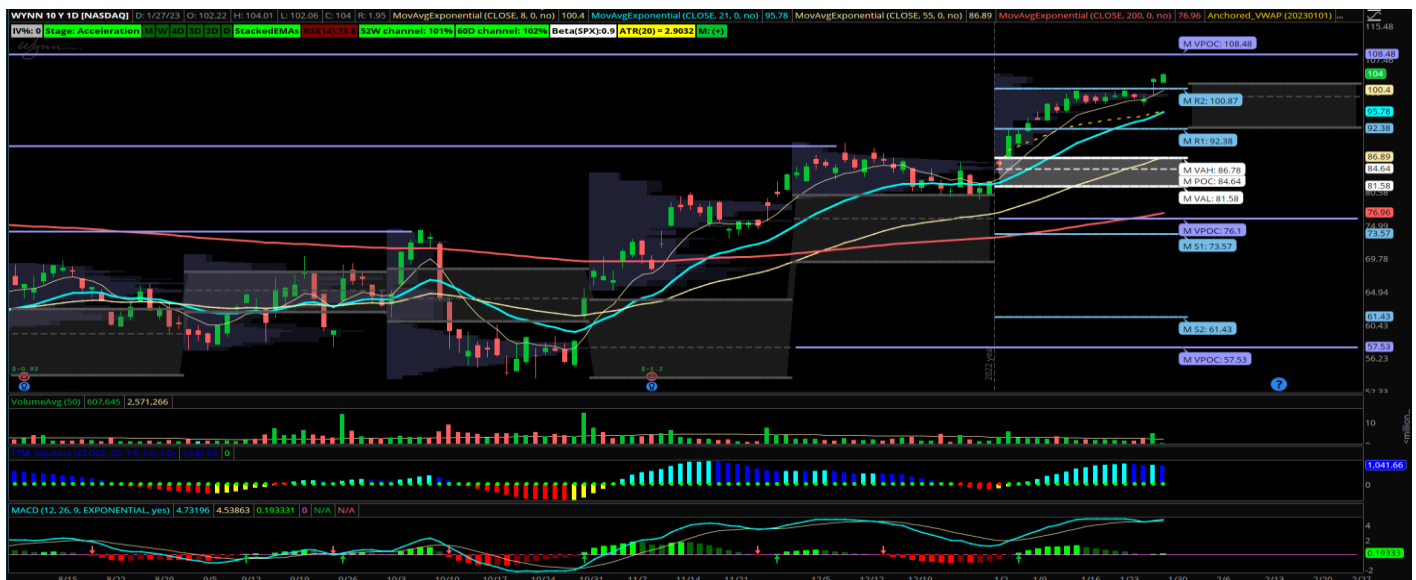
Luxury Casino Resort Seeing Call Buyers Expect Continued Comeback

Ticker/Price: WYNN (\$103.94)

Analysis:

Wynn Resorts (WYNN) on 1/26 saw a large buyer of 1600 June \$110 calls at \$7.25 and over \$1.25M in the name at new highs. This call buyer is confident that the rally continues into midyear buying these calls into strength and it follows a recent opening put sale for 1000 September \$90 puts sold for \$8.70 while last week also seeing 2700 March \$100 bull synthetics opening for \$0.65 net credits. WYNN still has over 1000 Jan 2024 \$115 calls in open interest from buyers the past month at \$12.25 and also size buys in June \$90 ITM calls that have doubled since bought at \$10.60 on 11/28. Shares have been very strong since the October lows near 55 and now nearly doubled from there as casinos see a pickup in China. WYNN has a VPOC target above at 108.50 and then 125 the next major level of resistance. Extended short term here so support below is at 96 where YTD VWAP waits for a pullback and then 87 is a stronger support if there was a dip that far in the coming month. WYNN has a clean uptrend and continues to ride its 21 EMA since the Oct lows. The \$11.7B company trades at 14.7x EBITDA, 4.0x sales, with FCF yield at 3.6% while revenue is expected to grow +40% in FY23 as casinos and travel see a resurgence especially in China. WYNN's segments include Wynn Palace, Wynn Macau, Las Vegas Operations, and Encore Boston. Average analyst target is \$100. Wells Fargo raised its price target this week to \$125 from \$101 and keeps an Overweight rating citing Las Vegas Sands upbeat Macau reopening commentary on the company's Q4 call. The analyst argues that Wynn has a viable path to recapturing most/all of its 2019 VIP EBITDA, despite the absence of junkets, through direct VIP/premium mass play, which he believes is not reflected in the stock. Further, he cites Wynn's smaller scale and premium mass offering that should allow for a speedy recovery, reasonable reopening expectations, and undemanding valuation. BAML raised its target to \$90 from \$85 and says sees attractive valuations, but is concerned estimates may be too high, while Macau is the opposite as estimates are potentially too low but thinks historical valuations could be too high. Short interest is at 7.7%. Hedge fund ownership rose 9.5% last quarter.

Hawk Vision:



Hawk's Perspective: WYNN is strong and making fresh highs but any pullback into February or on earnings mid month would likely be a buy opportunity for continued upside.

Confidence Ranking: \$\$\$



FEATURED OPTIONS RADAR REPORT



Railroad Leader Sees Bullish Positioning Ahead of Earnings

Ticker/Price: CP (\$77.11)

Analysis:

Canadian Pacific Railway (CP) on 1/26 saw buyers for 1000 March \$77.50 calls at \$2.15 and 2000 of the February \$77.50 calls bought for \$1.45 while also a buyer for 1500 OTM Feb \$80 calls at \$0.50 and all in total about \$600K in call premium bought ahead of earnings next week on 1/31 after the market closes. CP also still has Jan 2024 \$72.50 short puts in open interest from sellers at \$4.60 last month and 700 June \$75 short puts in OI sold at \$4.70. Shares have been rangebound to start the year but holding above 200 day EMA support at 75 and potential to work above 80 which is top of monthly value area. The stock built up a large coiled weekly consolidation the past year and was quite resilient last year during the bear market actually closing 2022 slightly positive. CP has its all-time highs at 84 which would be a first target on upside then the 100 level is a logical long term target. Support is seen at 75 and 72.50 being the 2021 yearly VPOC. The \$71.5B company trades at 22.5x earnings, 9.8x sales, with FCF yield at 3.7% while revenue is expected to grow +30% in FY23. The Company provides rail and intermodal transportation services over a network of approximately 13,000 miles, directly serving the principal business centers of Canada from Montreal, Quebec, to Vancouver, British Columbia, and the United States Northeast and Midwest regions. Average analyst target is \$86. Scotiabank upped its target to \$83 USD and keeps a Sector perform while Deutsche Bank upgraded in late November to Buy from Hold and a new price target of \$98 from \$80. The firm believes very little of the \$1B in synergies from the Kansas City Southern (KSU) deal is reflected in CP's share price today, which the firm says should begin to take hold starting in Q1 of next year after final approval from the Surface Transportation Board. The firm notes Canadian Pacific is the highest quality railroad from an operational perspective with the biggest volume growth opportunity. The firm is now very close to the start of integration. The firm is positive on the outlook for transportation equities in 2023. The firm estimates the trough in earnings growth will likely be in Q2, followed by a prolonged period of improving year-on-year growth. This is an important consideration in cyclical investing, as negative revisions closer to the bottom typically translate to higher multiples and higher equity values. Short interest is at 2.4%. Hedge fund ownership rose 1.6% last quarter.

Hawk Vision:



Hawk's Perspective: CP is a name ripe for a repricing as industrials are leading the new bull market move higher. Can trade long against a close below 75 here.

Confidence Ranking: \$\$\$

Additional Options Flow

Market/ETFs

Nasdaq (QQQ) buyer 3500 April \$299/\$296 bull risk reversals opening for 0.26 credit. **QQQ** also seeing 10,000 June \$280/\$245 put spreads

China (FXI) with 5000 June \$33 puts sold to open here for \$1.88 in stock replacements

Consumer Goods

Mattel (MAT) spread sold 1500 February \$19 puts for \$0.39 and bought 3000 of the \$22 calls at \$0.26

Boston Beer (SAM) starting to emerge out of a one year base with 100 January \$400 calls bought \$59.20

Netease (NTES) stock replacement bought 600 June \$110 calls for \$3.45

Ford (F) opening seller 3000 June 2025 \$15 puts \$3.85

Peloton (PTON) buyer 1000 June \$13 puts up to \$2.80. **PTON** also with 5000 September \$14 calls seeing closing sales

Colgate (CL) buy-write sells 10,000 January 77.50 calls for 3.40

Pepsi (PEP) buy-write sells 10,000 January 180 calls for 8.20

GM buyers 4000 March \$39 calls on offer

Activision (ATVI) trading March \$80/\$85 call ratios to open 15,000X30,000

Home Depot (HD) seeing 2800 June \$285/\$245 put spreads bought for \$6.25

Lowes (LOW) also seeing a similar trade to HD as 3500 June \$180/\$155 put spreads are bought for \$4.05, likely protection after a large rally

Fisker (FSR) squeezing higher with EV names but seeing 6000 August \$6 puts bought \$1.31 as the March puts adjust out

Rivian (RIVN) up 13% today also and seeing buyers active for 3000 March \$27.50 calls at \$0.82

Wayfair (W) seeing 1500 Jan 2024 \$65 bull synthetics open for \$1.50 credit

Capri (CPRI) seeing buyers of 1400 Jan 2024 \$52.50/\$75 strangles for \$12.00

Li Auto (LI) seeing 1000 Jan 2024 \$23 puts bought at \$4.40

Dicks Sporting Goods (DKS) seeing 1900 June \$110 puts bought \$6.20

Consumer/Business Services

eBay (EBAY) with 1500 July \$50 calls sold to open \$4.10

Chewy (CHWY) with 2000 May 47.50 calls being sold to open for \$6 into rally

Paramount (PARA) nearing its 200-MA after a long rally to start 2023 seeing 10,000 March \$22.50 puts bought \$1.70

Roku (ROKU) opening sale 1000 July \$55 puts ITM for 10.15. **Roku (ROKU)** with an opening seller of 2000 Feb 3rd \$59 calls here late day for \$1.51

Criteo (CRTO) unusual buy 1000 April 30/37.5 call spreads

Warner (WBD) with 15,000 July \$15 calls selling to open \$2.25 into this rally

Shopify (SHOP) large opening sale 1000 January 2025 \$55 calls for 13.95

Netflix (NFLX) large opening sale 2000 June \$350 puts for 27.10

Unity (U) with 2200 March \$40 calls bought 2.76 to 2.82

Activision (ATVI) massive buy today for 25,000 March \$75 puts at \$3.85, adjusting up the \$70 puts

Carnival (CCL) buyers of 3000 April \$11 calls today for \$1.19

Doordash (DASH) seeing 1140 Feb \$61 calls buy for \$4.20 offers here late day

Peloton (PTON) also seeing a large late day buyer of 25,000 June \$18 calls for \$1.28, adjusting Jan 2024 \$15 calls that have doubled since start of year

Spotify (SPOT) seeing 1350x2700x Jan 2024 \$90/\$120 call ratio spreads open for \$0.59 credits

Energy

California Resources (CRC) buyers 1600 February \$45 puts up to \$1.35. **CRC** also 2900 February 40 puts w/ buyers

Devon (DVN) buyers 2000 March \$65 puts \$3.15 to \$3.30

Cheniere (LNG) with 1000 Feb. 24th (W) \$144 puts bought to open \$3.40

Chevron (CVX) with 500 January 2025 \$150 puts sold to open \$12.20

Chesapeake (CHK) with 950 April \$80 puts bought up to 3.90

Occidental (OXY) large buy of 5800 January \$65 puts \$8.25, a lot of bear flow in Oil & Gas names today

Chevron (CVX) with 1000 January \$185 calls bought \$16.85 to \$17

Hess (HES) seeing a large opening seller of 1000 August \$120 ITM calls at \$42.40, adjusting Jan 2024 \$130 short calls

Financials

Block (SQ) with 2000 February \$82 calls bought \$4.85 to \$4.90 in early action. **SQ** 1800 March 77.50 puts bought 5.40, stock tied

Itau Unibanco (ITUB) with offer buys 50900 December \$5 calls \$0.65

Coinbase (COIN) bull flag with size buyers of 5000 next week \$48 calls ITM early over \$4M. **COIN** also 1200 Feb. 24th (W) \$58 OTM calls bought \$5.20. **Coinbase (COIN)** buyer of 800 March 3rd \$55 calls at \$6.20 to \$7

Bank America (BAC) with 7000 August \$37 calls sold to open 2.10

AmEx (AXP) buyers 1250 March \$175 puts for \$8.25 offer seeing the move as overdone. **AXP** also 1000 March \$170 puts bought \$6.75

Stone (STNE) with 5000 March \$13 calls bought as February \$11 adjust

Credit Acceptance (CACC) large buy 1509 December \$500 puts \$106.50 adjusting 250 of the 400 puts

Healthcare

Legend Bio (LEGN) with 1000 May \$60 calls sold to open \$5

Medical Properties (MPW) with 3500 October \$10 puts bought \$1.07

Iteos (ITOS) weak here with IV surging as 2450 February \$20 puts are bought adjusting the \$15 puts

Haemonetics (HAE) unusual buy for 500 December \$100 calls at \$9.10, earnings 2/7

Alnylam (ALNY) pops off 55-MA with 1400 March \$240 calls bought \$8.50 to \$9.30

Lantheus (LNTN) with 500 August \$55 calls bought and the March \$65 calls sold in diagonal spreads for net debit at \$8.65

Moderna (MRNA) with 1000 March 190 puts bought, stock tied

Acadia (ACAD) trade puts on 1000 February/March \$19 call calendars for 0.90

Industrials

General Electric (GE) with 975 Jan 2025 \$80 puts bought at \$9.80

United Parcel (UPS) into rally with 2000 March \$175 puts bought \$5.25 for earnings next week

Southwest Air (LUV) buy write sells 3000 June \$37.50 calls for \$2.02

Materials

Cameco (CCJ) with 2000 June \$28 calls bought \$3.05 offer

Albemarle (ALB) strong move this week and seeing 1000 January 2025 \$340 calls sold to open for \$51.18, adjusting Jan 2024 \$280 short calls

Tech

Meta (META) early buys of 4300 Feb. 152.50 calls at \$7.30 as the \$140 calls adjust into earnings next week. **META** opening sellers in April 175 calls 2000X

Intel (INTC) June \$26 calls buying to open 4400X near \$2.55 into earnings weakness. **Intel (INTC)** into weakness today seeing 1000 June 2024 \$37 ITM puts sell to open \$10.10. **INTC** also 3000 July 27 puts sold to open for 1.95

Advanced Micro (AMD) early buys 2000 February \$74 calls \$4.50 into Intel sympathy move which never makes sense as AMD is taking market share

Apple (AAPL) with 20,000 May \$140 puts sold to open 6.30 to 6.20 this morning. **Apple (AAPL)** seeing large buys for 27,000 May \$165 calls at \$2.40 to \$2.90

Pure Storage (PSTG) IV surging early with 10,000 February \$23 puts bought as potential play on META Capex. **Pure Storage (PSTG)** buyers of 2900 March \$23 puts for \$0.75. **PSTG** also opening sellers of 2000 March \$26 ITM calls at \$3.81

One Span (OSPN) seeing March \$12.5/\$17.5 call spreads close and buys 3500 March \$15 calls \$0.85

Western Digital (WDC) buyer of 2500 April \$45 puts for \$3.95, stock tied

CrowdStrike (CRWD) opening sale 750 April \$115 puts for 16.65

ASML (ASML) with 870 March \$760 OTM calls bought \$6.60 today

Baidu (BIDU) stock replacement bought 500 September \$180 calls for \$7.75

Qualcomm (QCOM) with 1100 February \$128 puts sold to open \$3.30

Salesforce (CRM) with 1600 March \$160 puts sold to open \$6.95. **Salesforce (CRM)** stock replacement bought 1000 January \$195 calls \$13.40

Zoom (ZM) with 2000 June \$70 calls bought \$11.15 offer, no OI increase from yesterday and will confirm Monday on these trades, shares strong clearing 55-MA

Alibaba (BABA) with 1500 February \$117 puts sold to open 4.65 bids

UIPath (PATH) bull flag breakout with unusual 1700 August \$20 calls bought \$1.05

Cloudflare (NET) with 3000 May 30 puts sold to open today 1.11

Dynatrace (DT) buyer 2000 august \$45 calls for \$3.07 as the software name nears a major range breakout

C3.ai (AI) with 5000 July \$10 puts bought at \$0.60, stock tied

Micron (MU) large trade buys 5000 June \$70 ITM puts for \$8.55

IBM (IBM) large buy of 1800 January 2025 \$135 calls for \$14.99, adjusting the Jan 2024 \$140 calls

Communications/Utilities

Exelon (EXC) with 4000 January \$38 puts opening \$2.05 to \$2.15

NextEra (NEE) with 1000 April 72.50 puts sold to open 2.17

Charter (CHTR) with 600 January \$300 puts sold to open 14.75

First Energy (FE) with 1750 June \$40 puts sold to open \$1.45

Disclaimer:

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