



MARKET RECAP 8/16/2022

Sector Leaders

Retail

Consumer Goods

Metals

Stock Gainers

AN 6%

MASI 5.8%

PAG 5.6%

GME 5.4%

WMT 5%

FIVE 5%

Volatility Gainers

- BBBY
- ISEE
- NARI
- CLAR
- NOVT
- AXSM

High Call Volume

- MUB
- GES
- SPTN
- LNW
- FOXA
- ANF

Bullish Options

- UBER
- TSLA
- IQV
- ENPH
- AR
- NOVT
- SQ
- SMAR
- ZIM
- DASH
- LEN
- SHOP

Market Review: Stocks wavered in early trade modestly off new highs of the multi-week rally with China stimulus providing optimism but a firming US Dollar showing growing recession fears. Housing Data in the US came in soft once again as Macro is showing some weakness this week but Industrial Production for July firmly beat estimates. Retailers rallied following the Walmart and Home Depot reports. Metals were strong along with Banks and both Consumer Defensive/Discretionary. Growth areas like Software and Biotech lagged with the move in yields. We started to see meme/junk stocks make wild intraday moves as shorts get squeezed and often near the end of moves. We saw some afternoon selling with the 200-MA touch. The earnings schedule picks up a bit the next two days and FOMC Minutes tomorrow while August OpEx dynamics remain in play, a very strong market with all our signals remaining in buy mode.

S&P Chart:



Resistance	Support
4220	4100
4330	4050
4400	4000

Options Action Trends: Flows were wild in the meme stocks while Fintech names like COIN, UPST saw a return of size put buyers. Bull flows were a lot quieter with the run being extended.

Options Action Trends:

What's On Tap: Retail Sales, FOMC Meeting Minutes, Crude Oil Inventories; Earnings from ADI, TGT, TJX, CSCO, KEYS, SNPS; Analyst Meetings at BSX, DAL, WRK, WWD; Piper Alt Energy Conference

Trade Tracker Portfolio Changes:

- 1) Spotlight: Long QCOM September/October \$160 Calendar Call Spread at \$2.95

Sector Laggards

Biotech

Software

Semis

Stock Losers

SE -13.5%

BE -10.8%

NOVA -9.5%

ALHC -7.5%

BEAM -7%

EXAS -7%

Volatility Losers

- VERU
- WMT
- HD
- LITE
- ZIP
- SE

High Put Volume

- NRG
- RF
- GSK
- EW
- MET
- LNG

Bearish Options

- BSX
- COIN
- UPST
- BROS
- SU
- IBM
- BX
- T
- GME
- UPS
- HD



FEATURED OPTIONS RADAR REPORT



Large Put Sale Sees Valuation Floor in Consumer Finance Leader

Ticker/Price: SYF (\$35.75)

Analysis:

Synchrony Financial (SYF) with a large vote of confidence on 8/15 as 4500 January 2024 \$35 puts were sold to open for more than \$2.65M in premium. SYF flows recently shifted bullish with buys of August \$33 and \$34 calls as well as September \$36/\$39 call spreads and many of the September put positions now closed. SYF shares are -23% YTD and recently pushed into key resistance, its 200-week EMA and a 38.2% retrace at \$36.85 while \$39.85 is a 50% retrace and VWAP off 2021 highs near \$39. SYF provides a range of credit products through programs with a diverse group of national and regional retailers, local merchants, manufacturers, buying groups, industry associations and healthcare service providers. SYF connects partners and consumers through its dynamic financial ecosystem and provide them with a diverse set of financing solutions and innovative digital capabilities to address their specific needs and deliver seamless, omnichannel experiences. Its offerings include private label, dual, co-brand and general purpose credit cards, as well as short- and long-term installment loans and consumer banking products. SYF offers credit products through five sales platforms: Home & Auto, Digital, Diversified & Value, Health & Wellness and Lifestyle. SYF has a market cap of \$17.2B and trades 6.5X Earnings and 1.4X Book with a 2.57% dividend yield. Forecasts call for revenue growth of 6-8% annually while EPS is seen under pressure in 2022/2023. Last quarter Synchrony added 6 million new accounts, grew average active accounts by 4% and achieved its highest purchase volume ever in a quarter of \$47 billion, a year-over-year increase of 12%, or a 16% increase on a core basis. As out-of-pocket health expenses continue to rise for consumers, Synchrony's CareCredit is a way for people to pay for care not covered by insurance, including deductibles, coinsurance and co-pays. Analysts have an average target of \$42 and short interest is low at 2.3% of the float. Wells Fargo downgraded shares in July with a \$32 target on a cautious macro outlook impacting private label cards. Barclays cut its target to \$49 in July and added it to the Focus List noted an overly discounted valuation for a mild recession outlook with potential for significant upside in shares.

Hawk Vision:



Hawk's Perspective: SYF is operating well and a lot of the built-up fear for consumer finance names may have been overblown, and SYF offers solid value at these levels.

Confidence Ranking: \$\$



FEATURED OPTIONS RADAR REPORT



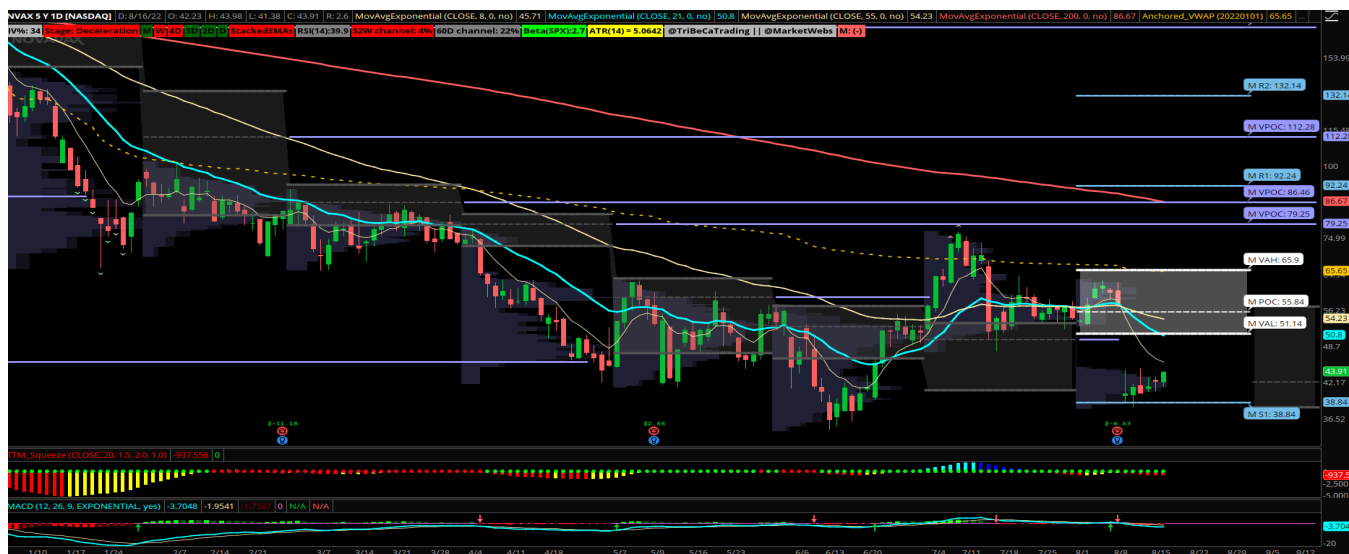
Struggling Vaccine Producer Sees Bears Position for Further Pain

Ticker/Price: NVAX (\$43.88)

Analysis:

Novavax (NVAX) on 8/15 saw a massive bearish trade in the January 2024 \$40 puts bought 2,300x at \$16.55 for over \$3.9M. This followed several bearish trades the week prior as January 2023 \$40 puts bought 2000x at \$11.80 and Jan \$30 puts bought 1500x at \$5.95 while opening call sellers were active in October \$45, \$55 and \$75 calls sold to open in size. NVAX also still has January \$85 puts in open interest from buyers of 560 contracts in July for \$40.45. Shares are trying to bounce off a double bottom support from the 38-40 range it held in June and after the large gap down from earnings it may need some time to consolidate and setup a flag pattern. The stock seems to be stuck under monthly value and all moving averages sloping down since cracking under the 55 level. NVAX has a large open gap below down to 25 which is where it gapped higher from in May 2020 amid the pandemic accelerating. The \$3.4B company trades 5.4x earnings, 0.9x EV/sales, and revenues are expected to grow 26% in FY23 after doubling revenues in 2022. NVAX is a developer of vaccines to prevent serious infectious diseases with a pipeline that includes COVID-19, RSV F, and others. They also have a NanoFlu, a nanoparticle seasonal quadrivalent influenza vaccine candidate that is in Phase 3 clinical trials. This month NVAX reported lower than expected Revenues and guided lower for FY22 from \$4B to \$2B. NVAX clearly has missed a large opportunity in the COVID vaccine market and is seeing a decline in revenues. This week Novavax announced that it submitted an application to the U.S. FDA for Emergency Use Authorization of its protein-based COVID-19 Vaccine, Adjuvanted for active immunization to prevent coronavirus disease 2019 caused by the severe acute respiratory syndrome coronavirus 2 as a homologous and heterologous booster in adults aged 18 and older. Average analyst target is \$125, with a Street high of \$209 and low of \$35. Cowen recently lowered their target to \$110 from \$150 after the guidance cut and stated shipment delays pushed Q2 revs into Q3 while the 2022 guidance revision marked an end to their hope in participating in the primary vaccination market. B Riley also lowered their target to \$126 and cited COVID vaccine product sales were meaningfully below Street expectations and the fiscal 2022 outlook is worse than feared. Short interest is at 21%. Hedge fund ownership rose 5.6%.

Hawk Vision:



Hawk's Perspective: NVAX is showing weakness but also may bounce into gap short term so might be better to look for a reversal candle near 8 EMA overhead for potential put spread trade like Oct 40/30 at \$3.25.

Confidence Ranking: \$\$



FEATURED OPTIONS RADAR REPORT



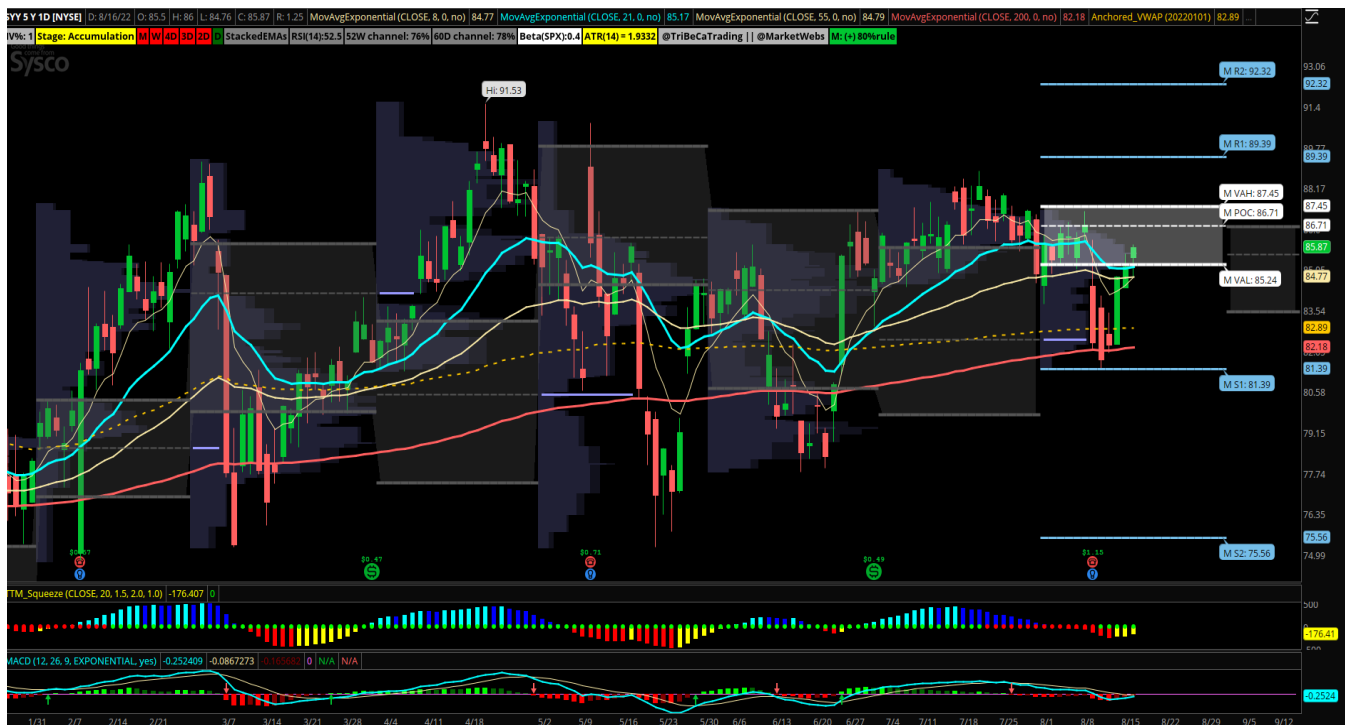
Food Distributor Sees Bears Come to the Table for Downside

Ticker/Price: SYY (\$85.88)

Analysis:

Sysco (SYY) on 8/15 saw a large bearish trade with 2500 January \$80 puts bought at \$3.55 for \$900k in premium. This has followed plenty of bear flow since early June with opening call sellers active in January \$95 and \$100 calls sold over 1000x each and still in open interest. Also, the February \$85 puts bought on 7/22 for \$6.70 and over \$320k while buyers in November \$80 puts over 600x at \$4.60. Shares are trying to bounce off the 200 EMA after their earnings report was sold recently and so far, staying above YTD VWAP support at 83. The stock is forming a larger potential head and shoulders top with the neckline near 80 and a break below can see 73.50 which is an untested VPOC from late 2021. A lower beta name that was a defensive stock during the bear market but with stocks rebounding now and value sectors less appealing there might be sellers rotating out of food related names like SYY. The \$43.3B company trades 19.9x earnings, 0.7x EV/sales, FCF yield of 4.3% with a dividend yield at 2.4% and revenues are expected to grow 33% in FY22 but slowing to +10% in FY23. Average analyst target is \$94, with a Street high of \$100 and low of \$84. Truist last week lowered their price target to \$92 from \$98 citing its Q4 EBITDA miss and lower than expected FY23 EBITDA guidance but keeps a Buy rating on the shares. The company should be able to accelerate its market share gains, driven by its many sales initiatives. Credit Suisse also lowered their target to \$100 stating that the company delivered a mixed Q4 print, with an inflation-driven EPS beat, partially offset by higher-than-expected opex. Short interest is at 1.9%. Hedge fund ownership fell 4.8%.

Hawk Vision:



Hawk's Perspective: SYY is bouncing back to monthly value resistance and could short against a close above 87.50 if looking to play downside or wait for close back under 8 EMA near 85.

Confidence Ranking: \$\$

Additional Options Flow

Market/ETFs

Treasury (TLT) buyer 4200 November 110/102 put spreads

Nasdaq (QQQ) morning buyers of 3000 Sep. 23rd (W) \$310 puts, 4000 of the Sep. 2nd (W) \$327 puts, and 25,000 of the Sep. 30th \$300 puts

Dow Jones (DIA) which sees less activity sees 2500 Sep. 23rd (W) \$339 puts bought \$7.15 offer

Healthcare (XLV) with 9500 December 120 puts bought \$1.55 offer

Materials (XLB) buyer 2500 November \$76 puts for \$1.75

Russell (IWM) buy-write sells 15,000 March \$250 calls \$1.33

Consumer Goods

Tesla (TSLA) with \$10M in Sep. 2nd (W) \$980 calls opening this morning with 3000 contracts bought \$31.65+. **TSLA** also \$65M in September \$795 calls opening as Sep. 2nd (W) \$785 adjust

Netease (NTES) opening seller 775 December 100 calls for 5.70 into earnings

Levi (LEVI) buyers of 1090 January \$15 ITM calls \$5.30 to \$5.50

Kohls (KSS) large stock buyer married with 5100 Dec. 32.50 puts at 3.70. **KSS** buyer 5000 Oct. \$37.5/\$50 call spreads as Sep. \$35/\$45 adjust into earnings

Academy Sports (ASO) buyer 1750 January 60 calls for 2.70 to open

WalMart (WMT) opening sale 5000 December 155 calls for 2.28

Clarus (CLAR) jumps to highs with 2000 November \$35 calls bought \$3.50, also 1500 Sep. 430 puts opened \$4.48 earlier, name with massive call spreads in OI

Ralph Lauren (RL) buyer 300 January 2024 \$80 puts for \$9.80

Sonic Automotive (SAH) buyers of 260 February \$50 ITM calls at \$8.50, looks to be rolling November \$40 calls

Thor (THO) buy-write sells 750 January \$120 calls \$3.675

GM afternoon buyer 1475 March \$34 puts \$2.42 offer

Warby Parker (WRBY) big surge since reporting weak results and this afternoon a buyer 1000 March \$17.50 calls \$4.80 to \$4.90 in offer sweeps, name with 30% of the float short

Consumer/Business Services

Uber (UBER) with 4000 March \$32.50 calls opening early \$5.04 as September \$27.5 adjust

JD with 9000 September \$62.5 short puts opening as August adjust form a 7/14 trade

Dutch Brothers (BROS) with 3500 September \$30 puts bought \$0.35 to \$0.40

Rollins (ROL) unusual 1650 November \$40 calls bought \$1.10

Doordash (DASH) into weakness with a seller of 1000 January 2024 \$65 puts \$16.25 to \$15.50

Warner Brothers (WBD) buyers active in September \$15 calls 30,000X up to \$0.25 and many selling the \$10 puts as well. WBD also with 5K Dec. 7.50 puts sold to open 0.17. **WBD** with 3000 Dec. 12.50 puts selling to open 1.13

Go-Daddy (GDDY) opening seller 900 January 77.50 puts 4.580 bid causes shares to spike

Wingstop (WING) buy-write sells 600 September \$145 calls \$3.95

Norwegian Cruise (NCLH) buyer 1650 March 20 calls 1.08 offer

Children Place (PLCE) spreads into earnings selling 1500 August 45 puts to buy 55/65 call spreads

World Wrestling (WWE) with 1400 September \$70 puts selling to open \$1.20 to \$1.25

Airbnb (ABNB) buyer 1400 November \$175 calls for \$1.29

Shopify (SHOP) stock replacement opens 3600 December \$52 calls for \$2.67

FuboTV (FUBO) another meme stock squeezing higher 40% and seeing Sept \$7 calls bought from \$0.46 up to \$0.90, over 6600 trading

MGM offer buyer 650 March \$38 calls for \$4.15

Lowes (LOW) with 1000 October \$210/\$190 put spreads opening as HD set a higher bar into its earnings tomorrow

Carvana (CVNA) late day trade buys 15,000 Oct. \$40 puts up to \$4.10

Royal Caribbean (RCL) buyer 2000 June 2024 \$30 puts \$6.45, stock tied

Energy

Matador (MTDR) unusual buy 450 January \$75 OTM calls at \$4.20 offer, potential M&A target in Oil & Gas

Enphase (ENPH) early buyers into dip of 490 Oct. \$350 calls \$12.20 to \$12.35

Antero (AR) buyer 2500 September \$42 calls as August \$40 adjust

Cheniere (LNG) with 1500 October \$135 puts selling to open for \$2.30

Evonix (ENVX) opening sale 2500 January 27.50 calls for \$5

Chevron (CVX) buyer 1000 December \$140 puts for \$5.65, stock tied

Financials

Citi (C) put sales active again with 3000 November and December \$55 sold to open at \$3.75 and \$4.15 respectively

Coinbase (COIN) early fade with 500 Oct. 100 puts bought \$22 to \$22.65. **COIN** also trading 2000 November \$90 puts over \$4.5M as September puts adjust.

Block (SQ) with 1500 September 82.50 calls opening ITM 6.70

Upstart (UPST) with 2000 November \$22.50 puts opening near \$3 this morning, many in spreads selling September \$22.5

Bank of America (BAC) with 4700 November \$36 puts sold to open at \$1.92 bids

Blackstone (BX) buyer of 1000 December \$105 puts for \$9.45 offer

Region Financial (RF) strong morning trend seeing unusual 2300 June \$20 puts sell to open at 1.35 bids

Visa (V) opening sale 1375 March 165 puts for 3.85

Schwab (SCHW) opening sale 5000 November 82.50 calls for 2.63, buy write

Rocket (RKT) former meme stock breaking out to multi-month highs and buyers 4000 December 13 calls 0.72 offer

Affirm (AFRM) buyer 4000 October \$35/\$25 put spreads this afternoon, earnings next week

Healthcare

Boston Scientific (BSX) trade opens 1000 January 2024 \$47 puts for \$7.40. **BSX** buyer 3500 November 46 calls for 0.89

Iqvia (IQV) IV rising with buyers 900 September \$250 calls this morning \$5.85 in stock replacements

Horizon (HZNP) former darling stock been under pressure with a vote of confidence as 1000 January 2024 \$80 puts sold to open \$20.20. **HZNP** also 600 September \$60 calls bought \$5.90

SIGA Tech (SIGA) buy-writes selling 1225 November \$35 calls for \$4.40

Cardinal Health (CAH) buyers of 800 Dec \$72.50 calls at \$3.50 offers

United Health (UNH) opening seller 550 March \$420 puts for \$8.85

Teva (TEVA) opening sale 2000 March \$13 ITM puts for \$2.45

Koninklijke Philips (PHG) a healthcare name that has been weak but seeing 2900 September \$22.50 calls bought at \$0.30 today and 1600 deep ITM Jan \$25 puts sold to open at \$5.10

Guardant (GH) stock replacement bought 2000 November \$65 calls for \$5.22 to \$5.47, name that has seen a lot of bull positioning since write-up a couple months back

J&J (JNJ) with 2000 November 180 calls sold \$1.89 in a buy-write

Industrials

Fastenal (FAST) with 1700 September \$52.50 puts bought \$0.43 to \$0.45

Zim Shipping (ZIM) opening sale 1000 January \$50 puts for \$8.55 into earnings tomorrow morning

Boeing (BA) buyer 1400 March \$160 puts for \$14.50, stock tied

Lennar (LEN) large opening sale of 4000 January 85 puts for \$7, reports in September and flagging under its 200-MA. **LEN** also 1275 January 87.50 puts bought \$8.20

United Parcel (UPS) buyer 1050 September \$210 puts \$6.85 to \$7.10

Materials

BHP higher following a record quarter and 3450 September \$60 calls bought buyer sup to \$0.70

Tech

Novanta (NOVT) seeing 1200 Sept \$160 calls bought at up to \$4

IBM (IBM) strong move into the earnings gap but seeing October \$135/125 put spreads bought 2600x for \$2.75 debit

Meta (META) with 1900 June 2024 \$200 puts selling to open down to \$48 deep ITM

SmartSheet (SMAR) buyer of 1075 January \$40 calls \$5.10 offer, interested to see if these add to open interest from buys back in May

Bilibili (BILI) with 9000 September \$30 deep ITM puts sold to open at \$6.15 as the August puts roll

SAP AG (SAP) with 1000 March 70 puts sold to open 1.70

Pinterest (PINS) with 3000 March \$32.50 calls sold to open at \$1.57

Intel (INTC) seeing buyers of 7300 Sept 9th \$38 calls bought in sweeps up to \$0.45

Snowflake (SNOW) bouncing off support with 1500 next week \$162.50 calls bought \$10 to \$10.30 into the downgrade and for earnings 8-24

Bill.com (BILL) flagging tight into earnings and 1200 February \$220 calls bought \$13.60 to \$14.10, earnings 8-18, and follows February put sales yesterday

Cirrus (CRUS) nice bull flag and strong Semi with 500 Sep. 85 calls opening 5.40 as August adjust

Alteryx (AYX) with 450 November \$60 calls opening up to \$12.90, flagging and coming off a surprisingly strong quarter

Broadcom (AVGO) buyer 200 October \$580 puts for \$44.40

Ebix (EBIX) large buy 1500 September \$20 calls for 5.90 as August 22.50 adjust

Analog Devices (ADI) a top Semi set to report tomorrow morning with 2280 September \$170 calls opening \$11 as Aug. 170 short calls from 6/23 adjust

Alibaba (BABA) with 2900 June 2024 \$90 puts bought \$18.50 to \$18.65 this afternoon

Unity (U) seeing 1000 Sept 23rd \$63 calls bought at \$2.17 offers

Communications/Utilities

AT&T (T) with 35,000 October \$18 puts opening \$0.57 as August \$19 adjust

Lumen (LUMN) with 18,000 January \$11 puts bought at \$1.17

Disclaimer:**Not Investment Advice or Recommendation**

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