



Sector Leaders

Energy

Healthcare

Industrials

Stock Gainers

OSCR 15%

ASAN 15%

PWR 11%

NTNX 9.5%

LAC 9%

PDCO 8.3%

Volatility Gainers

- ANY
- RAAS
- DNN
- BTCM
- ISEE
- KPLT

High Call Volume

- ACI
- FIVE
- OSCR
- KRA
- CCJ
- PROG

Bullish Options

- LPRO
- NVDA
- DVN
- QS
- CLF
- JMIA
- GM
- LCID
- LUV
- V
- PTON
- OKTA

**Market Review:** Stocks were quiet overnight with the big focus on the jobs report tomorrow and potential to impact the outlook for tapering into year-end. China tech stocks continued to bounce despite more regulatory headlines. Weekly claims fell to their lowest level since March 2020, continued improvement in the overall job market trends. Factory orders rose slightly in July, as expected, with manufactured goods weak due to supply chain issues. Productivity was revised lower. The Russell outperformed early due to energy stocks, overall, as crude prices jumped about \$1.50 this morning. Otherwise, it has been a quiet day. Tech is slightly lower in early trading and some rotation into value again. Treasury markets are pretty quiet as well ahead of the jobs data. It was an overall balanced profile for the day. The S&P gapped higher this morning after an overnight ramp but unable to breakout above 4544 and faded back into the morning gap during the afternoon session. Breadth wasn't overly negative with TICK bound between +/- 500.

**S&P Chart:**



Resistance	Support
4,555	4,370
4,600	4,315
4,750	4,225

**Options Action Trends:** We saw collar positions open in October for tech/software names like **DOCU**, **CRWD**, and **COUP**. There was some near-term flows into cruise liners like **RCL** and **CCL**.

**What's On Tap:** Jobs Report and ISM Services.

**Trade Tracker Portfolio Changes:**

- 1) Spotlight: Long **SBUX** November \$120 Calls \$2.85 – No Fill

Sector Laggards

Communications

Materials

Financials

Stock Losers

AI -10%

CHWY -9%

AEO -8.9%

DVAX -7.5%

MQ -7%

VZIO -5.5%

Volatility Losers

- CRON
- HOFV
- AI
- SPRT
- KIRK
- HRC

High Put Volume

- SWBI
- FIS
- PSTG
- HRL
- COG
- ADSK

Bearish Options

- SMAR
- LSPD
- NKLA
- CDLX
- DIDI
- WDC
- MNDY
- ORCL
- SPRT
- MU
- CCXI
- SNAP



## FEATURED OPTIONS RADAR REPORT



### Size Calls Accumulate in Transforming Homebuilder Company

**Ticker/Price:** LEN (\$108.5)

#### Analysis:

**Lennar (LEN)** large trade on 9/1 bought 7000 November \$115 calls to open for more than \$3M and follows a 7/29 buyer of 3000 February \$105 calls for \$3.7M. LEN shares working out of a narrow flag and large cup and handle pattern this week that measures to an upside target of \$125. LEN weekly MACD is looking to move back positive and RSI held the 50 level on a recent dip with the rising 55-day moving average also supportive. LEN is the largest homebuilder in the US as well as an originator of residential and commercial mortgage loans, a provider of title insurance and closing services and a developer of multifamily rental properties. LEN primarily sells homes in communities targeted to first-time, move-up, active adult, and luxury homebuyers. LEN was able to expand margins last quarter despite cost pressures and the recent pullback in lumber prices should be a boost into next quarter with LEN set to report in mid-September. LEN has been expanding into single-family rental and recently created the Upward America Venture, which has secured funding to acquire approximately \$4B worth of communities from LEN in the coming years. LEN is also planning a tax-free spin of ancillary assets that was upsized to \$5B-\$6B. LEN currently has a market cap of \$32.25B and trades 7.9X Earnings, 6.2X EBITDA and 9.9X FCF. LEN estimates see revenues rising 19% in 2021 and 10% in 2022 with EBITDA climbing 64.5% and 4.3% respectively Y/Y. Analysts have an average target of \$117 and short interest is low at 3.5% of the float. LEN has closed higher after reporting earnings 7 of the last 8 reports. Argus out positive in June with a \$115 target noting LEN's advantages to peers with a focus in Texas, Florida and the Carolinas while the spin-off will create a pure-play homebuilder and financial services company. Evercore raised its target to \$160 in June noting the strong environment of robust pricing. JPM noted the LEN transformation is not reflected in shares and has a \$141 target as it shifts to an asset light model and can return more cash to shareholders. Aristotle Capital added to its last stake last quarter, its 6<sup>th</sup> largest position at \$1.41B.

#### Hawk Vision:



**Hawk's Perspective:** LEN looks fantastic from every perspective and think this can continue much higher as a leading homebuilder play.

**Confidence Ranking:** \$\$



## FEATURED OPTIONS RADAR REPORT



### Unusual Upside Call Buy in Emerging Home Services Growth Play

**Ticker/Price:** PRCH (\$21.15)

#### Analysis:

**Porch (PRCH)** unusually active on 9/1 with 3500 February \$25 calls bought \$2.45 to \$2.50, while back on 7/21 the February \$22.5/\$20 strangle was sold to open for \$7.55, leaving upside room to \$30 and skewed bullish Delta. PRCH also has some open interest in the December \$25 calls and has 1250 December \$20 puts sold to open back in April.

PRCH got off to a strong start in 2021 but pulled back into April-May and this week breaking out of a multi-month range and out of its downtrend. Porch is a vertical software platform for the home, providing software and services to approximately 10,500 home services companies, such as home inspectors, moving companies, utility companies, warranty companies, and others. Porch helps these service providers grow their business and improve their customer experience. As a way to pay for the software and services, these companies connect their homebuyers to Porch, who in turn makes the moving process easier, helping consumers save time and make better decisions about critical services, including insurance, moving, security, TV/internet, home repair and improvement, and more. Porch believes their TAM is \$200B and will continue to expand as they add services and connect with more and more contractors in some highly fragmented industries. PRCH currently has a market cap of \$1.94B and trades 10.3X FY31 and 7.3X FY22 EV/Sales with revenues seen rising 156% in 2021 and 42.5% in 2022. Profitability is seen late in 2023. PRCH has been active via M&A

to expand its services and saw a strong quarter from Insurance while it recently bought Rynoh, a SaaS company providing software to title companies. Porch has low cost and early access to homebuyers as well as unique property data. Analysts have an average target of \$27 with short interest at 7% of the float. OpCo started shares at Buy in late June noting Porch is able to monetize critical services (insurance, moving services, security installs, etc) at extremely low customer acquisition costs, supporting a 41% '20-26E revenue CAGR. Benchmark out positive on 8/17 expecting two more guidance raises in 2H21 and is a top idea across the Internet landscape. Stephens in May noted that Porch has several growth levers on the way to \$2B in revenues at a 25% EBITDA margin.

#### Hawk Vision:



**Hawk's Perspective:** PRCH may emerge as a true winner in the home services field but has risen around 40% in the span of two weeks, so best to wait for a consolidation set-up. I like the opportunity it presents in a massive market.

**Confidence Ranking:** \$\$



## FEATURED OPTIONS RADAR REPORT



### Bullish Accumulation in Paper, Packaging Name Amid Transformation

**Ticker/Price:** IP (\$59.85)

#### Analysis:

**International Paper (IP)** strong setup with shares basing just above the 200-MA and the 23.6% Fibonacci retracement and bullish flows on 9/1 with 1,265 April \$67.50 calls bought to open and already has some notable open interest in the January 2023 \$70 calls, October \$57.50 calls, and \$2.5M in January 2023 \$50 calls. Shares are basing in a narrow range under \$60.50 and a volume shelf that has room to \$62 and then recent highs on a move higher. Weekly MACD has reset and starting to turn higher while RSI is around 60 and plenty of room for upside. The \$23B company trades 10.6X earnings, 1.1X sales, and 15X FCF with a 3.5% yield. IP is a leading in fiber-based packaging with low-cost assets and significant tailwinds from growth in ecommerce, industrial packaging and more. IP is coming off of a strong quarter with containerboard demand surging and inventories low giving them pricing power to keep up with inflationary pressures. In December, they announced plans to separate into two companies with IP focused on packaging and their NewCo, Sylvamo, focused on global paper operations. The move leaves IP with around \$17B in sales, a strong strategic profile, and plenty of long-term catalysts for earnings growth through cost cuts and asset optimization. Sylvamo has significant scale and strategic optionality. The company will host an investor event on 9/9 to discuss the long-term strategy for Sylvamo. Analysts have an average target for shares of \$63 with a Street High \$96. Stephens upgrading to Overweight on 6/28 ahead of what the firm sees as the very substantial value creation potential of the upcoming separation into two companies. The Sylvamo white paper spinco will leave just IP's domestic containerboard and pulp business and while Sylvamo will take on leverage, he expects the IP containerboard and pulp remainco to emerge significantly underlevered. Hedge fund ownership fell 8% last quarter. Short interest is 2.35%.

#### Hawk Vision:



**Hawk's Perspective:** IP is positioned well amid some long-term trends and the split will be a nice value-creation event; shares are giving a solid risk/reward versus the recent lows and great on a longer-term timeframe while flows support new highs.

**Confidence Ranking:** \$\$



## Call Buyers Target Key Player in Decarbonization Theme

**Ticker/Price:** CCJ (\$19.15)

### Analysis:

**Cameco (CCJ)** buyers of 12,000 October \$20 calls on 9/1 up to \$0.85/\$0.90 and later buyers in the December \$23 calls 1,500X. Yesterday's flows follow buyers in the December \$21/\$28 call spread 10,000X15,000 on 8/24, the December \$20/\$27 call spread 10,000X on 8/20, and the December \$22 calls bought 25,000X since early August. Shares are breaking out of a downtrend and back above the key short-term moving averages as it works back towards recent highs. CCJ has been in a strong trend higher since April and pulled back to the 38.2% Fibonacci retracement of the run where it found support. The \$7.32B company trades 175X earnings, 5.88X sales, and 29.66X FCF with a small yield. CCJ has benefited from better spot prices in 2021 for uranium and a major secular shift towards nuclear energy driven by increased electrification and mass decarbonization goals. In Europe, the EC has been focused on supplementing current legislation that would include nuclear energy as a sustainable energy source. In the US, President Biden's DOE requested \$1.8B for nuclear energy in the FY22 budget, the largest nuclear investment ever. CCJ also has a potential catalyst from more tax credits from the Federal level for nuclear energy. Analysts have an average target for shares of \$23 with a Street High \$27. GLJ with an interesting note on 9/1 raising estimates by 30% as they see Sprott's entry into the uranium spot market with the Sprott Physical Uranium Trust as the next potentially massive upside bull catalyst for the shares despite the stock already being up 61% since August last year. Sprott's aggressive purchasing strategy is set to very soon push the spot price of uranium to a level not seen since January of 2016. Short interest is 2.7%. Hedge fund ownership rose 1.5% last quarter. Aristotle Capital a buyer of 1.8M shares.

### Hawk Vision:



**Hawk's Perspective:** CCJ has run 25% in the last two weeks and needs to consolidate and set up again but like the setup for a run back at the May highs

**Confidence Ranking:** \$\$



## **Additional Options Flow**

### **Market/ETFs**

**Russell (IWM)** with 21,000 November \$218/\$200 put spreads bought this morning for \$3

### **Consumer Goods**

**P&G (PG)** with 2,000 Sept. 10th (W) \$144/\$140 bull risk reversals bought today for \$0.98

**Smith & Wesson (SWBI)** lower by 6% on earnings today and seeing buyers active in the March puts early at the \$22.50, \$20 and \$17.50 strikes

**Sonos (SONO)** with 2,500 September 10th (W) \$41/\$44 call spreads bought today, nice flag forming above the rising 21-EMA

**Peloton (PTON)** now off the lows sharply with 4,000 June \$120 calls bought for \$13.65 and 5,750 January \$105 calls bought for \$11.85. **Peloton (PTON)** with 750 March \$85 puts sold to open this morning from \$8.15 to \$8.10

**Toro (TTC)** buyers today of 1000 September \$110 puts for \$2.15 into the move higher following earnings

**IRobot (IRBT)** with 1000 November \$95/\$85 long straddles bought today for \$14

### **Consumer/Business Services**

**VF Corp (VFC)** starting to move off the early lows with buyers of 800 November \$80 calls for \$2.40

**Disney (DIS)** today seeing buyers of 1000 October 1st (W) \$185 calls for \$4.05

**Cardlytics (CDLX)** buyers of 1500 January \$65 puts for \$2.80 to \$2.90

**FarFetch (FTCH)** with more than 14,500 September \$50 calls being bought on the morning with the strong move, paying around \$0.30 to \$0.45

**Didi Global (DIDI)** buyers of 3,000 December 2022 \$10 puts for \$3.85 with the ongoing regulatory issues

**AMC Theaters (AMC)** stock replacements are selling 2,000 December \$60 ITM puts for \$25.45

**Support.com (SPRT)** buyers of more than 6,500 September \$13 puts up to \$1.35 today

**Carnival (CCL)** the November \$27.50 calls being bought over 11,000X today for \$1.16

**Lowe's (LOW)** buyers active for 500 April \$230 calls for \$7.15, flagging below a big weekly range breakout to new highs

**Children's Place (PLCE)** off the early lows with 500 October \$90 calls bought for \$5.60

**Royal Caribbean (RCL)** buyer of 1000 next week's \$83 calls for \$2.40

**Avis Budget (CAR)** with 1,000 October \$110 calls sold to buy the \$85 puts for a net \$0.35

**Academy Sports (ASO)** buyers of 1,575 October \$46 calls for \$3.40 today, earnings 9-9 and likely positive read from Dicks recently

**DISH Network (DISH)** buyer of 1000 January 2023 \$60 calls for \$4.50, closing some Jan. 2022 calls

### **Energy**

**Devon Energy (DVN)** with 2,000 October \$31 calls bought for \$1.10, follows size Dec. \$30 call buys recently

**QuantumScape (QS)** buyers of 4000 September 24th (W) \$27 OTM calls for \$0.42 to \$0.46

**Philips (PSX)** with 900 February \$82.50 calls bought today for \$2.15

**Continental Resources (CLR)** with 2,000 January \$40 calls sold to open today for \$4.50 to \$4.40 this afternoon

### Financials

**Credit Suisse (CS)** early buyers of 5000 January 2023 \$12 calls for \$1, looks to be adding to open interest

**Open Lending (LPRO)** the October \$45 calls being bought 2350X for \$1 today with the Stellantis news and note pre-market on how it positively impacts them

**XP (XP)** spread today is selling the October \$55 calls and buying the \$48/\$44 put spread, similar to spreads in Sept. expiration and likely protective. **XP** also with 400 February \$50 calls bought for \$7.20 to open into strength

**UpStart (UPST)** nice move early and seeing 1250 Sept. 10th (W) \$240/\$265 call spreads bought for \$5.60

**MasterCard (MA)** with 1,450 November \$340 puts sold to open today for \$14.05 into weakness

**Affirm (AFRM)** IV rising here with 2,000 October \$105 calls bought for \$8.20 to \$8.30, follows the size Sept. call buying yesterday. **AFRM** popping now with 2,500 September \$120 calls also being bought

**360 Digitech (QFIN)** buyers of 1950 October \$25 calls today for \$2.90 to open, working out of a rounded base and back through the 200-MA today

**Discover (DFS)** buyers active for 1000 September \$130 calls for \$1.05 to \$1.10 into the shallow pullback. **DFS** also with 1500 January \$95 puts sold to open for \$2.15

**Visa (V)** the November \$230 calls being bought in size here for \$6.35 to \$7, over 11,000X

**Bit Mining (BTCM)** buyers of more than 10,000 September \$12.50 calls for \$0.65

**Berkshire (BRK/B)** more put sales today with 925 March \$230 puts sold to open for \$3.05

**Sofi Tech (SOFI)** IV climbing into the highs with over 13,500 September \$15.50 calls bought around \$0.30

**Zillow (Z)** with 685 February \$100 calls bought today around \$13

### Healthcare

**Baxter (BAX)** buyer of 4000 Sept. 10th (W) \$81 calls for \$1.05, closing the 2,500 \$76 calls and rolling up after their Hill Rom deal

**Blueprint Medicines (BPMC)** pops here with 2,500 October \$120 calls bought for \$2.50 to open, aggressive trade on a wide bid-ask with shares flagging under a big volume node

**Gilead (GILD)** with 1,500 June 2022 \$70 puts sold to open for \$6.40, adjusting back some short puts from the \$55 strike

**Dynavax (DVAX)** buyers of 1,500 April \$25 calls for \$2.70 to \$2.75, strong run lately and back to the rising 8-EMA today. **DVAX** also with 1000 October \$18 calls bought for \$2.10 today

**ChemoCentryx (CCXI)** opening buyer of 2000 October \$12.5/\$5 put spreads for \$2.60

**Novavax (NVAX)** with 725 December \$340 calls for \$21.90, near a big base breakout for weeks now

**Nuvasive (NUVA)** with 1,600 September \$60 puts sold to open today for \$0.75

### Industrials

**ZIM Shipping (ZIM)** with another 1,500 December 2022 \$58 calls bought today for \$9 as January calls adjust, similar to yesterday

**XPO Logistics (XPO)** buyer of 1000 October \$90 calls for \$3.60, adjusting some Sept. calls out

**Southwest (LUV)** buyers of 6,000 September \$52 calls for \$0.40 to \$0.45

**Lucid (LCID)** with 1,450 December \$27 ITM puts sold to open for \$10.05 today, follows Feb. OTM call buys earlier this week

**United (UAL)** the March \$45 puts being sold to open today for \$5, adjusting some January positions

**General Motors (GM)** the October \$48 puts sold to open this morning 2000X from \$1.70 to \$1.61

**Nikola (NKLA)** seeing some positions adjust out and buy 6,000 November \$11 puts for \$2.00 to \$2.05

**DR Horton (DHI)** strong setup and seeing 3000 September \$100 OTM calls bought this afternoon for \$0.80

### Materials

**Teck Resources (TECK)** the November \$26 calls being bought 1000X for \$1.19 to \$1.25

**Alcoa (AA)** working higher here with 1500 October \$47 calls bought for \$3.70. **AA** also with 1000 November \$45 puts sold to open for \$3.35

**FerroGlobe (GSM)** IV starting to lift now with buyers opening 3,450 October \$12 calls while the Sept. \$11 and \$12 calls also active

**Cameco (CCJ)** strong again today and seeing 19,000 December \$23 calls bought for \$1.24 and spread with the \$30 calls that are being sold for \$0.40

**Cliff's Natural (CLF)** the November \$24 calls with 3,000 bought today for \$2.95, nice chart shaping up with shares flagging under recent highs. **CLF** also with 2,100 April \$17 puts sold to open for \$1.42 in a stock replacement

### Tech

**Confluent (CFLT)** buyer of 2000 September \$55/\$65 call spreads early for \$2, flagging nicely under recent highs and back to the rising 21-EMA today

**Nvidia (NVDA)** bullish flow today with 2,650 October \$245 calls bought today from \$3.35 to \$3.45 and also seeing 3000 Sept. 10th (W) \$180 ITM calls open as the weekly position adjusts again

**Snap (SNAP)** with 1000 Oct. 1 (W) \$75 puts bought here for \$3.40

**Doximity (DOCS)** strong again today and seeing front-month flows active with buyers of 1000 Sept. \$100 calls around \$3 to \$3.40

**Nutanix (NTNX)** with 3,600 September \$42.50 calls bought this morning for \$0.95 to \$1 with shares gapping out of a multi-week bull flag

**CrowdStrike (CRWD)** also seeing 1,500 October \$320/\$230 collars open today and like **DOCU**, **COUP** likely trading against stock



**DocuSign (DOCU)** similar to **COUP** seeing 1300 October \$350/\$240 collars open and likely against a stock position

**Coupa (COUP)** spreads today are selling the October \$300 calls and buying the \$200 puts, over 1300X for a \$1 credit and likely collaring stock

**Spotify (SPOT)** buyer of 2,250 September 10th (W) \$270 calls today for \$1.40 into strength

**C3 AI (AI)** into weakness today a seller of 475 January 2023 \$40 puts for \$10

**Asana (ASAN)** higher by 12% on earnings today and seeing 500 December 2022 \$115 calls bought for \$12.50 to open

**Okta (OKTA)** with 400 October \$280 calls bought up to \$10

**Monday.com (MNDY)** with 450 September \$400 puts bought up to \$21 to open today into the strong recent run

**Oracle (ORCL)** with over 3,000 September \$85.50 puts bought for \$1.07 today ahead of earnings next week

**Micron (MU)** buyer of 1,100 April \$70 puts this morning for \$6.75

**Jumia (JMIA)** with 1,800 December \$25 calls bought this morning \$2.40 to \$2.75

**Lightspeed (LSPD)** with 1000 September \$110 puts bought today into the strong run higher, \$1.25 to \$1.50

**Palo Alto (PANW)** buyers of 1000 October \$500 calls this morning from \$4.70 to \$5 into the strong post-earnings move

**Taiwan Semi (TSM)** spread today buys 1000 December \$125 calls for \$5.18 and sells 3,000 of the \$100 puts for \$1.14

**Pure Storage (PSTG)** with 2,500 January \$22.50 puts sold to open for \$1.15 this afternoon

**Advanced Micro (AMD)** the April \$95 puts being sold to open today 1300X for \$6.90 in stock replacements

**SmartSheet (SMAR)** buyers of 1745 September \$75 puts for \$1.30 to \$1.35 ahead of earnings on 9-7, lower five of the last eight

**Intuit (INTU)** with 600 October \$570 calls being bought mid-day for \$10.80, follows reports this week they're looking to buy Mailchimp for \$10B+

**Sea (SE)** buyers of 775 November \$370 calls for \$18 to \$18.70 to open today

**Veeva (VEEV)** buyers of more than 1325 March \$360 calls from \$11 to \$11.10 into the dip

**Camtek (CAMT)** spreads today are selling the February \$50 calls and buying the \$40 puts for a net \$2.49 debit, 1000X

**Radware (RDWR)** strong today with 1000 March \$40 calls bought for \$0.90 to \$1, strong name and popular with ITM put sales

**ACV Auctions (ACVA)** afternoon buyers of 2,350 November \$20 calls for \$2.55. stock replacements

**NetEase (NTES)** off the afternoon lows but seeing 1,850 January \$92 puts bought to open between \$9 and \$9.10

**TI (TXN)** with 1,650 June \$200 calls sold to open for \$11.30 in a buy-write

#### Telecom/Utilities

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