



## MARKET RECAP 3/16/2023

### Sector Leaders

Banks

Internet

Semis

### Stock Gainers

FRC 12.5%

SNAP 8%

MRVL +6%

AMD +5.7%

GOOG 4.5%

MSFT +3%

### Volatility Gainers

- LOB
- HPP
- VOYA
- MET
- VNO
- IMGN

### High Call Volume

- APO
- PINS
- CAIC
- XP
- AMD

### Bullish Options

- TSLA
- GD
- AMZN
- TECK
- COP
- INTC
- ARNC
- SCHW
- PINS
- MSFT
- MRVL
- VALE

**Market Review:** Markets opened a bit soft after the ECB meeting but quickly saw Tech and Semi stock strength lead higher back to flat for the SPX as it bounces between 3850-3950 this week ahead of Fridays large OPEX. The Nasdaq looking much better and up 4% on the week so far led the morning action with AMD, INTC very strong. Bonds opened stronger while the Dollar was benign after the ECB rate hike. Banks staying a weak link in the market and dragged the Russell IWM lower early on as the lagging group. The market rallied strong with a surge in breadth after the opening hour when news broke that JPM and other banks would be in talks to bolster First Republic and that reversed the bank stocks higher as VIX came down sharply losing 7%. The QQQ is leading the markets up and closing the week on a strong note would be impressive as sentiment is back to lows of the past year just in time for a surprise rally into end of quarter potentially. SPX key line in sand is 3900 short term.

### S&P Chart:



Resistance	Support
3960	3840
4020	3750
4155	3640

**Options Action Trends:** We saw some call buying in regional banks after the bail out news and also buy writes in large cap financials. Tech stayed hot with call buyers targeting AMZN, PINS, SNOW.

**What's On Tap:** Industrial Production, Prelim Consumer Sentiment, and Inflation Expectations, S&P Quarterly Rebalance and Quad Witch OPEX; Japan Tertiary Industry Index, Eurozone CPI, UK Inflation Survey; Earnings from AQN, BLDP

### Trade Tracker Portfolio Changes:

1. No Changes

### Sector Laggards

Solar

Consumer Goods

Metals

### Stock Losers

GOSS -18%

RLX -5.5%

MPW -3%

ENPH -3%

PTON -3%

### Volatility Losers

- RETA
- PRVB
- WTTR
- IQ
- TFI
- UNVR

### High Put Volume

- YUMC
- VOYA
- TPC
- SLG
- VNO
- ESRT

### Bearish Options

- LNC
- KBH
- V
- ADI
- U
- EMR
- ZION
- OTIS
- ARES
- GTLB
- CS
- PDD



## FEATURED OPTIONS RADAR REPORT



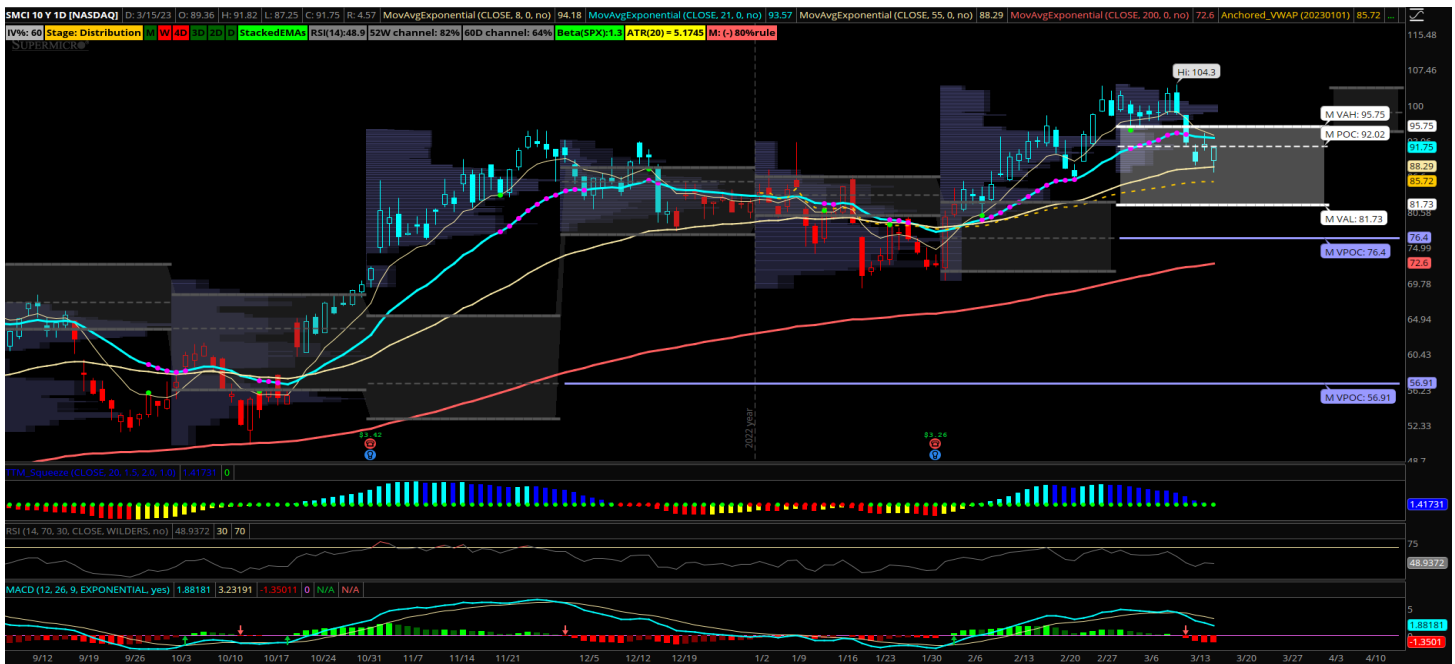
### Tech Hardware Relative Strength Leader Sees Large Call Buyer

**Ticker/Price: SMCI (\$91.75)**

#### Analysis:

**Super Micro Computer (SMCI)** on 3/14 saw unusual buyers of more than 4400 May \$120 OTM calls at \$3.30 for over \$1.5M on the day for the name that rarely sees large option flow of that size. SMCI still has some smaller notables in May expiration with the May \$95/\$105 bull risk reversals opened 300x on 3/3 and also about 900 May \$80 calls in OI from buyers on 1/31 at \$7.50 while also a buyer of 300 August \$95 calls for \$16.40. Shares have been pulling back to the 55-day EMA this week and yesterday formed a bullish candle off that support near 88 and closed on highs. Resistance is at 95 and then 100 and 104 former highs while support is seen below at 85 and then 81.75 and 76.50 being a VPOC of volume support. The \$4.9B company trades at 9.4x earnings, 0.6x sales, FCF yield of 3.5% while revenue is expected to grow +30% in FY23 and +14% growth estimated in FY24. The Company provides Silicon Valley-based accelerated compute platforms that are application-optimized server and storage systems for various markets, including enterprise data centers, cloud computing, artificial intelligence, fifth generation (5G) and edge computing. SMCI is coming off a strong quarter where they beat EPS by \$0.23 and Revenues as well while giving inline guidance. Average analyst target is \$101. Northland boosted its target last month to \$175 from \$165 and keeps a Outperform saying Super Micro's March quarter guidance and June quarter color indicates "record margins" and free cash flow generation will continue. Spruce Point did a negative piece on the name but the stock rebounded just as quickly and Northland stated that it presents a great entry point. Super Micro trades at a modest 20% discount to peers on the higher quality P/E metric, but they believe this will expand to a material premium due to the durability of the company's growth opportunity. Short interest is 6.9%. Hedge fund ownership fell 1.7% last quarter.

#### Hawk Vision:



**Hawk's Perspective:** SMCI is a solid uptrend and one of the better dip buying Tech names the past year although volatile it can be bought here off the 55 day EMA with stop under 85 for run to highs again.

**Confidence Ranking: \$\$**



## FEATURED OPTIONS RADAR REPORT



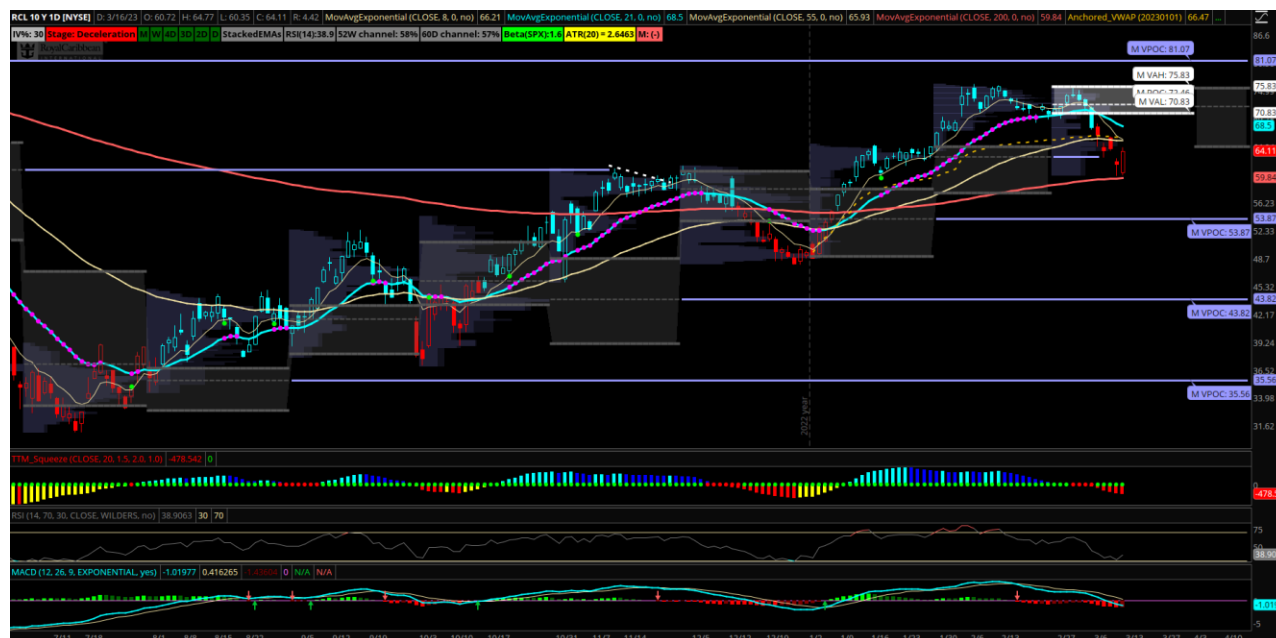
### Leader in Cruise Travel Sees Massive Bull Look for Continuation

**Ticker/Price: RCL (\$64.14)**

#### Analysis:

**Royal Caribbean (RCL)** on 3/15 saw a large buy of 5000 each of the June \$67.50 calls at \$4.85 and the June \$82.50 calls at \$1.26, adjusting the March \$55 calls from buys late last year that caught the rally from Decembers lows. RCL also saw a 3/14 buyer of 1500 January \$70 calls for \$10.55 to \$11 and over 1000 of the Jan \$70 puts were sold to open at \$12.30 on the same day showing confidence at current levels. RCL still has a massive bull in open interest as 9900 of the January \$45 puts sold to open last August at \$12.90 and the June 2025 \$50 short puts sold at \$7.70. Shares have been pulling back to the 200-day EMA at 60 this past week and forming a strong candle today showing buyers supporting at that zone which it has stayed above all year so far. Resistance above is at 70 and then 75 while a larger VPOC target is at 81 from last year. The \$16.4B company trades at 15.8x earnings, 2.8x sales, FCF yield of 5.9% while revenue is expected to grow +47% in FY23 and +14% growth estimated in FY24. RCL last quarter reported saying results clearly demonstrate the strength of our vacation platform, which includes our leading global brands, the best and most innovative ships in the industry and a powerful and nimble commercial apparatus, coupled with strong execution by our operating teams have delivered another quarter of strong performance that exceeded our expectations. Our entire fleet is operating globally in our key destinations. Demand for our experiences was very strong, and we achieved 96% load factors overall, with the Caribbean at close to 105% at record pricing and high satisfaction scores. Average analyst target is \$79. Stifel raised to \$90 target and keeps a Buy rating citing that the company reported strong Q4 results, gave encouraging/conservative guidance and issued booking commentary that was beyond strong/upbeat. The firm ultimately believes the company's 2023 initial guidance will prove conservative and expects significant upside to 2019 EBITDA levels. Barclays boosted its target to \$88 and Overweight rating while Wells upped its target to \$78 last month and sees strong booking trends persisting. Short interest is 9.7%. Hedge fund ownership rose 1.7% last quarter.

#### Hawk Vision:



**Hawk's Perspective:** RCL is a strong uptrend and tested the 200 day EMA this week and now looks poised to bounce back strong so can trade long against a close below that level at 60.

**Confidence Ranking: \$\$**

## **Additional Options Flow**

### **Market/ETFs**

**Energy (XLE)** with 5600 April \$74 puts bought for \$2.91 into the oil selloff

**Ark (ARKK)** buyer 7500 May \$33 puts at \$1.30 into strength. **ARKK** also with 14,000 June \$39 straddles bought for \$8.30

**S&P (SPY)** with 40,000 April \$374 puts bought today for \$4.72, adjusting the \$370 puts as a hedge

**Regional Banks (KRE)** stronger today and seeing a large buy of 25,000 January \$52 calls at \$3.50 to \$4

**Russell (IWM)** buy write sells 5000 August \$175 calls for \$11.16

**Oil Services (OIH)** with 4000 June \$235 puts bought at \$14.40, adjusting the \$300 puts down

### **Consumer Goods**

**Tesla (TSLA)** seeing 1500 October \$170 puts sell to open here at \$25.51, Over \$3.8M

**Mattel (MAT)** buyers of 4400 April \$16 calls for \$0.79 to \$1.10

**Newell Brands (NWL)** opening sale of 3500 April \$12 ITM puts for \$0.80

### **Consumer/Business Services**

**Carnival (CCL)** with 2000 July \$9 calls bought here for \$1.25

**Yum China (YUMC)** large buys of 2100 October \$60 puts at \$6.20

**Portillo's (PTLO)** opening sales of 1800 January \$17.50 puts for \$2.40

**Uber (UBER)** buyer of 1865 April 28th \$35 calls at \$1.01 offers

**Pinduoduo (PDD)** seeing 3000 Oct \$100 puts sold to buy the June \$100 puts at \$4.77 credit. **PDD** also a buyer of 2250 January \$100 puts for \$21.70, reports next week

### **Energy**

**ConocoPhillips (COP)** buyer of 2000 April \$90 calls at \$6.60, adjusts March calls. **COP** also a stock replacement sells to open 600 April \$90 puts \$3.40. **COP** also 1184 April \$95 puts sold to open for \$4.65, adjusts March short puts

**Shell (SHEL)** buyers of 2000 July \$57.50 calls at \$2.25

**Shoals (SHLS)** large buy of 2000 April \$17.50 calls at \$2.60

**Baker Hughes (BKR)** with 1750 April/June \$29 call calendar spreads bought \$0.64

**SM Energy (SM)** with a large buyer of 3800 January 2025 \$25 calls at \$8.38, adjusting the Jan 2024 \$22.50 calls

**Enovix (ENVX)** seeing opening sales of 3000 October \$12.50 calls at \$2.40 and 3k of the \$17.50 calls sold for \$1.30

**Petrobras (PBR)** with 4000 Oct \$8 puts sold to open \$0.79

**PBF Energy (PBF)** with 2000x4000x April \$45/\$50 call ratio spreads open here for \$0.60 debit

### Financials

**Lincoln National (LNC)** buyer of 1150 April \$20 puts at \$1.60, adjusting the \$15 puts

**Visa (V)** with 2300 March 31st \$205 puts bought at \$3.15

**Bank America (BAC)** with large buys of over 25,000 May \$22 puts for \$0.50 to \$0.55. **BAC** also with 2000 October \$29 puts sold to open \$2.73

**Upstart (UPST)** large buyer of 5813 May \$15 puts for \$3.47, adjusts March puts

**Apollo (APO)** odd buyer of 3500 January 2025 \$110 calls at \$1.95

**SL Green Realty (SLG)** buyers of 2000 April \$20 puts at \$1.20

**Voya Financial (VOYA)** buyers of 2000 April \$65 puts at \$4.10

**Vornado Realty (VNO)** buyers of 2300 April \$15 puts at \$1.50 sweeps

**Morgan Stanley (MS)** buy write sells 4000 September \$92.50 calls at \$5.15

**JP Morgan (JPM)** also seeing a large buy write sell 3200 April \$125 calls for \$7.20

**Schwab (SCHW)** large buyer of 7140 June \$65/\$75 call spreads at \$2.69, also looks to be selling to open 3570 of the June \$40 puts at \$1.63, in stock replacements

**Empire State Realty (ESRT)** buyer of 9250 Sept \$7.50 puts at \$1.50, adjusting the March puts

**XP (XP)** with 11,770 May \$12/\$14 call spreads bought at \$0.67, also selling to open the \$10 puts for \$0.80, small net credits

**Ares Management (ARES)** large block of 10,000 May \$70/\$60 put spreads bought for \$1.65

**Credit Suisse (CS)** up today small but seeing large buys for 22,000 January 2025 \$2 puts for \$1.05

**Ally Financial (ALLY)** buyer of 10,000 April \$30 calls at \$0.35

### Healthcare

**Edwards Lifesciences (EW)** buyer of 3850 May \$70 puts at \$1.45, stock tied

**Immunogen (IMGN)** with IV rising today and seeing 7000 May \$4 calls bought at \$1.30 and spreading some against sales of the \$7 calls at \$0.25

**Catalyst Pharmaceuticals (CPRX)** with 6000 June \$15 ITM calls selling to open at \$2.15as IV falls today, tends to be a bearish signal in biotech

### Industrials

**KB Home (KBH)** large sale of 10,000 April \$38 calls at \$0.94 to buy 10k of the \$32 puts at \$1.00

**General Dynamics (GD)** with 1134 May \$190 puts sold to open at \$1.56 to buy the \$230 calls at \$5.31, bull risk reversals

**Tutor Perini (TPC)** rare buyer of 2000 Oct \$7.50 ITM puts for \$2.30

**CACI International (CACI)** large stock replacement sells to open 2400 April \$280 puts at \$5.70

**Otis (OTIS)** seeing 1373 May \$82.50 calls sold to open \$3.05, adjusts March short calls

**United Airlines (UAL)** buyers of 7400 April \$45 calls at \$2.23

### Materials

**Freeport (FCX)** opening sale of 1000 June 2024 \$33 puts for \$5.60. **FCX** also a large opening sale of 10,000 May \$41 calls at \$1.10

**Arconic (ARNC)** seeing 10,000 April \$27/\$31 call spreads bought for \$1.55

**Barrick (GOLD)** with 23,000 June \$19 calls sell to open \$0.71 and buys the \$17/\$15 put spreads at \$0.70 for near zero net cost

**Mosaic (MOS)** opening sale of 6000 Sept \$29.75 puts for \$0.91

**Vale (VALE)** large trade opens 25,000 April \$15 bull synthetics for \$0.65 debit. **VALE** April \$15 bull synthetics now up to 62,000 on the day in large blocks

**Teck Resources (TECK)** large buy of 5000 August \$39/\$43 call spreads bought for \$0.98

**Peabody (BTU)** with 4100 October \$26 calls sold to open for \$3.20, adjusting down the \$33 short calls

### Tech

**AMD** seeing 1000 March 31st \$98 calls sold at \$2.22 into this move

**Amazon (AMZN)** seeing buyers of 5000 March 31st \$99 calls for \$2.31. **Amazon (AMZN)** large buyer of 10,000 June \$95 calls at \$11.80 midday

**Analog Devices (ADI)** seeing 4000 March 24th next week \$175 puts bought \$1.60. **ADI** also with 2750 April \$190 calls sold to open \$4.30, adjusting March short calls

**Meta (META)** buyers of 1000 July \$215 calls at \$15.95 today

**Apple (AAPL)** with 2800 June 2024 \$140 puts bought for \$11.70, stock tied

**Intel (INTC)** buyers of 10,000 April 6th \$30 calls at \$1.04, adjusts the April 14th calls

**Microsoft (MSFT)** into the rally seeing 2000 January \$270 puts bought \$25.65, stock tied. **MSFT** now seeing 1250 April \$275 puts sold to open \$8.85. **MSFT** with 8000 April 6th \$275 puts sold to open here at \$7.00 bids

**UiPath (PATH)** strong move today but seeing 2388 August \$17.50 calls sold to open \$2.80

**Smartsheet (SMAR)** seeing 1000 Sept \$50 calls sell to open \$5.50

**Sentinelone (S)** with 2000 Sept \$18 calls sold to open at \$2.05

**Pinterest (PINS)** with 40,000 June \$27.50 calls bought midday for \$2.52, adjusting the large March \$25 calls out further

**JD (JD)** with 2000 Sept \$32.50 puts sold to open \$2.34, also sells the \$47.50 calls at \$2.89, short strangles

**Marvell (MRVL)** large buyers of 3300 June \$40 calls at \$4 to \$4.50

**Weibo (WB)** large opening seller of 8400 July \$15 puts at \$1.15

### Communications/Utilities

**Duke Energy (DUK)** buyer of 1800 May \$105 calls at \$1.10

### **Disclaimer:**

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

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