



**Sector Leaders**

Internet

Software

Banks

**Stock Gainers**

- ALLY 16%
- SIVB 14.5%
- SE 9.8%
- LYFT 6.8%
- NFLX 6.5%
- BIDU 6%

**Volatility Gainers**

- TTM
- IIPR
- UPST
- SE

**High Call Volume**

- LBTYK
- DXJ
- KDP
- TXT
- ESTC
- IGV

**Bullish Options**

- NKE
- SLB
- WDAY
- TTWO
- TAP
- CNQ
- OVV
- UBER
- SHOP
- ESTC
- PLTK
- DPZ
- SPLK
- AVGO

**Market Review:** Stocks rebounded modestly into the open on Friday on a massive January options expiration with the USD showing strength for the first time in a while and Bonds pulling back, the VIX remained numb near the 20-level. The market this week clearly shifted its focus off the knowns, cooling inflation and smaller Fed hikes, into the unknown, the potential for weaker earnings and a recession. The opening hour showed strong breadth for a trend-up day and the VIX sank back under 20. Tech led the rally with Internet and Software strong and seen rotations to Tech all week from Consumer/Industrial while Banks, Retail and Metals also gained. Bonds were weak and Utility/REITs lagged with the move higher in Yields. SPY remains trapped in a key 385/400 range as we head into earnings season, a break in either direction will be the next big trend move to capitalize on.

**S&P Chart:**



Resistance	Support
4030	3900
4110	3800
4200	3700

**Options Action Trends:** We saw bullish high Delta put sales in LYFT/UBER. Call buyers remain active in Software stocks this week with WDAY, ESTC, SPLK, ADSK, DOCU, S, ZM notable today.

**What's On Tap:** The bulk of earnings reports come the next three weeks with Microsoft, Visa, Tesla, MasterCard, Comcast, TI, Union Pacific, Boeing, Intel and countless others reporting next week. The economic schedule is fairly light with Flash PMIs for January in focus early in the week and Personal Income/Spending to close the week.

**Trade Tracker Portfolio Changes:**

- 1) Rolled CCI Calls to February \$26 at \$0.50

**Sector Laggards**

Solar

Semis

Housing

**Stock Losers**

- SQSP -9.5%
- KNSL -7%
- ERIC -4%
- LMND -3%
- AMT -2.5%
- LOGI -2.3%

**Volatility Losers**

- PPG
- ZS
- STT
- ALLY
- NFLX
- SIVB

**High Put Volume**

- WTRG
- RFP
- VST
- UNM
- CHGG
- CPB

**Bearish Options**

- KHC
- UPST
- NFLX
- SPWR
- SE
- RIG
- SE
- CHGG
- INTC
- PSTG
- CROX



## FEATURED OPTIONS RADAR REPORT



### Large Bullish Options Action in Leading Media Player

**Ticker/Price:** DIS (\$99)

#### Analysis:

**Disney (DIS)** seeing plenty of bullish positioning to start 2023 including large buys in March and April \$110 calls, a seller of 1250 September \$105 puts to open, January 2024 \$95 calls adding over 8000 contracts, and 3500 March \$85 calls bought back in December. DIS shares bottomed in December right near the level from the 2020 low and have bounced to start the year and that low was also VWAP from the 2009 lows. DIS pushed up to one-year value zone highs this week and stalled making \$101 key resistance followed by the 200-MA at \$103.85 and shares have plenty of room to revisit the \$129 level as the major breakdown, 38.2% retracement and 200-week EMA. Disney is the largest publicly-traded Media & Entertainment (M&E) company and global leader in producing high quality, branded, family entertainment. Key assets include its Theme Parks (six locations globally), the ABC TV Network, ESPN, FX, National Geographic and other Cable Networks, iconic Film Studios (i.e., Disney, LucasFilms, Marvel, Pixar, 20th Century Fox), Star India, Direct-To-Consumer (DTC) streaming platforms (Disney+/Star, Hulu and ESPN+) and Consumer Products. Success in streaming growth will be synonymous with share price appreciation. DIS has a market cap of \$181B and trades 18.65X Earnings, 15X EBITDA and with a 2.3% FCF yield. Revenues are seen rising 9.4% in 2023 with 17% EPS growth and profitability seen accelerating in 2024. Parks & Experiences business is potentially exposed to a weakening consumer, but current forward bookings are strong. DIS adjusted EPS is seen growing at a 20%+ CAGR from F22 through F25. Analysts have an average target of \$125 and short interest is low at 1% of the float. Wells Fargo on 12/20 laid out an interesting note saying Bob Iger is returning to DIS to make big changes. Spinning ESPN/ABC is the best path forward and we see it as a reasonably probable late-'23 event. Splitting would leave remaining DIS as an attractive pureplay IP company. Given Disney's iconic brands and franchises, the potential value of that IP to other market participants, and the disruption facing the traditional media business, strategic alternatives cannot be ruled out. DIS has been in the news recently with Nelson Peltz planning a proxy fight wanting a seat on the board after Bob Iger recently returned to the CEO role. Mr. Peltz's Triun Fund Management bought up an \$800 million stake in the entertainment giant in November. Truist has a \$120 target and named DIS a top idea for 2023 seeing transformational change to the portfolio.

#### Hawk Vision:



**Hawk's Perspective:** DIS looks like a real attractive two year hold from these levels while near-term a March 100/110/115 call fly for \$2.75 has a nice profit zone.

**Confidence Ranking:** \$\$



## FEATURED OPTIONS RADAR REPORT



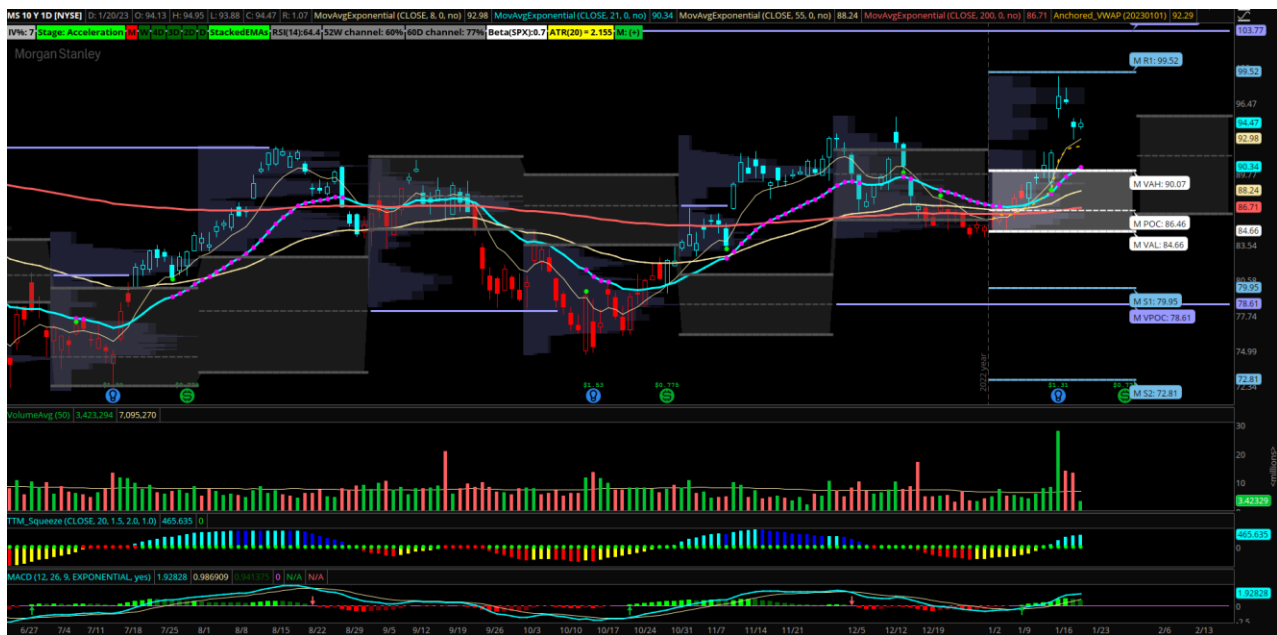
### Wealth Management Leader Sees Large Bullish Bets into Strength

**Ticker/Price: MS (\$94.47)**

#### Analysis:

**Morgan Stanley (MS)** on 1/19 saw a flurry of bullish action including a massive buy of 2000 June \$80 ITM calls for \$15.80 while also seeing an opening put seller for 1000 April \$100 ITM puts sold for \$8.30 and 1300 April \$92.50 puts sold at \$4.60. The day prior also saw opening put sales for 1500 April \$105 deep ITM puts at \$9.50 all showing confidence that current levels hold and push higher above 100 in the coming months. Shares have been strong to start the year and hitting fresh 9-month highs as it neared 100 this week before pulling back after strong earnings. The stock has support below at 93 and 90 with resistance at the round number of 100 and then a VPOC higher at 103.75 with all-time highs at 109.73. The \$158.5B company trades at 12.8x earnings, 1.7x book value, ROE at 14.1% with FCF yield at 3.0% and a solid dividend yield at 3.4% while revenue is expected to grow +5% in FY23 and +6% growth estimated in FY24. Average analyst target is \$100. Credit Suisse raised its target to \$102 from \$97 and keeps an Outperform rating after the earnings report. BMO boosted its target to \$109 from \$98 and citing the market continues to undervalue the high-multiple businesses, and Morgan Stanley's meaningful excess capital and limited credit exposure leave it well-positioned. Evercore raised to \$106 from \$90 and keeps an Outperform rating as it says Morgan Stanley was a big outperformer following the Q4 results, as the company showed growth in all the right places in wealth management, continues to buy back a lot of stock, and still has ~200bps of excess capital. RBC upped its target to \$90 from \$80 and expects it to reward its shareholders with stock buybacks and dividend increases over the coming 12-24 months. Short interest is at 1.2%. Hedge fund ownership rose 2.6% last quarter. On Feb 13<sup>th</sup> MS is at the Credit Suisse 24th Annual Financials Services Forum.

#### Hawk Vision:



**Hawk's Perspective:** MS is a strong financial relative to others and seeing it pullback to its 8 EMA post earnings is buyable near 93 support with stops under 90 for now.

**Confidence Ranking: \$\$**



## FEATURED OPTIONS RADAR REPORT



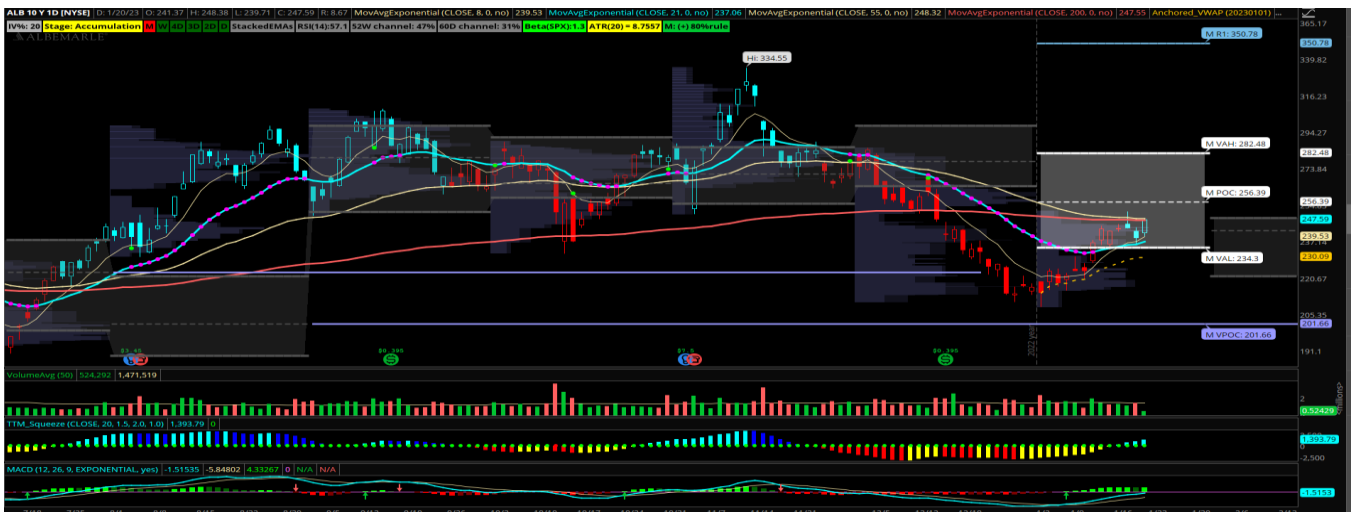
### Lithium Name Sees Massive Long Term Opening Put Sale

**Ticker/Price: ALB (\$247.32)**

#### Analysis:

**Albemarle (ALB)** on 1/19 saw a massive opening put sale for 1400 January 2025 \$260 puts sold at \$59.30 for over \$9M in put premium sold showing confidence in these levels long term. Also, on the same day an opening seller of 230 Jan 2025 \$270 puts at \$65.20 while last week saw buys in 850 Jan 2024 \$460 calls at \$4.60. ALB still has 1200 March \$240 calls in open interest from buyers last month for \$10.90 and March \$180 puts sold to open for \$7.40 over 1150x. Shares have been strong to start the year and bottomed right at the 2022 yearly value area low at 207 before bouncing back into monthly value area above 235. A push to the high end of value at 282 is a potential target now with short term resistance at 250 and 256 being monthly POC. ALB saw bullish 8/21 EMA cross this week and MACD is in bull mode as well supporting higher prices. The \$28.0B company trades at 8.5x earnings, 3.0x sales, with FCF yield at 5.6% while revenue is expected to grow +121% in FY22 and +38% growth estimated in FY23. Albemarle Corporation is a developer, manufacturer and marketer of specialty chemicals, which serves its customers across a diverse range of end markets, including energy storage, petroleum refining, consumer electronics, construction, automotive, lubricants, pharmaceuticals and crop protection. ALB's Lithium business develops lithium-based materials for a wide range of industries and end markets as a low-cost producer. Its bromine and bromine-based business includes products used in fire safety solutions and other specialty chemicals applications. Average analyst target is \$300. Deutsche Bank named ALB a short-term Catalyst buy idea this week and expects Albemarle's 2023 guidance to bracket consensus for both lithium and the total company. The analyst also believes the company will provide lithium pricing commentary and possibly guidance for its five-year outlook that is above sell-side projections of lithium prices moving down materially over the next few years. They have a \$290 target and Buy rating on shares. Vertical Research upgraded the stock to Buy from Hold and has a \$275 target as it cites valuation for the upgrade following the recent pullback. Mizuho has a \$300 target and Citi at \$295 while RBC boosted its target in November to \$380 and keeps an Outperform rating. Short interest is at 2.8%. Hedge fund ownership rose 4.2% last quarter. ALB has an analyst day next week on 1/24 where guidance updates might be shared.

#### Hawk Vision:



**Hawk's Perspective:** ALB is a volatile name but holding up well since start of new year and now into monthly value area can use 234 as a stop below with upside to top of value at 282 possibly.

**Confidence Ranking: \$\$**

## **Additional Options Flow**

### **Market/ETFs**

**Software (IGV)** a group flush with strong charts and seeing a lot of call flows in individual names with 2000 Feb. \$270 calls opening today as January \$260 adjust

**Nasdaq (QQQ)** with 10,500 April \$275 puts sold to open for \$10.29 as the Feb \$280 short puts adjust out

### **Consumer Goods**

**Kraft (KHC)** early buys of 5000 next week \$39.50 puts. **Kraft Heinz (KHC)** with 5400 Feb \$40 bull synthetics opening for \$0.45 credit

**Keurig Dr Pepper (KDP)** buyers 4450 March \$36 calls for \$0.55 into weakness, CFO bought 10,000 shares as well this week

**Take Two (TTWO)** sweep buyers 1100 February \$115 calls \$2.17

**Molson (TAP)** spread buys 1250 March \$50 calls \$2.10 and 1250 of the \$55 calls at \$0.55

**Playtika (PLTK)** buyer 15,000 January 2024 \$10 calls for \$2.20 as Feb. spreads adjust, attempting to acquire Rovio, maker of Angry Birds

**Nike (NKE)** early action with 4500 March \$130/\$115 bull risk reversals opening \$1.24 debit

**Tesla (TSLA)** large buy of 9733 June 2025 \$90 ITM calls at \$69.17, adjusting the Jan 2025 \$85 calls higher. **TSLA** also seeing a massive bearish adjustment with 37,300 June 2025 \$95 ITM calls sold to open at \$67.68, adjusting the June 2024 \$83.33 short calls from last month. **TSLA** also with 1200 Jan 2024 \$105 calls bought for \$47.95, adjusting the \$140 calls

**Crocs (CROX)** with 1175 March \$120 puts bought \$9.90 to \$10.40 in offer sweeps

**Coca-Cola (KO)** with 1000 April \$57.50 calls bought at \$3.85 here midday

**Ford (F)** a block of 5000 June 2025 \$15 calls sold to open for \$1.80, adjusting June 2023 short calls

### **Consumer/Business Services**

**Lyft (LYFT)** strong action and seeing 2000 July \$15 puts sold to open at \$2.65, similar to **UBER** trade. **LYFT** with 3000 Feb 10th \$15.50 calls sold to open for \$1.34 into the highs

**Netflix (NFLX)** buyer 1000 next week \$350 ITM puts \$18.85 to \$19.10 into early earnings move

**Las Vegas Sands (LVS)** spread buys 1500 Feb 3rd (W)\$56 calls and sells 2500 of the \$60 calls

**Liberty (LBTYK)** large buy 20K April 22.50 calls for \$1.10

**Uber (UBER)** with 2000 September \$30 puts sold to open \$4.35. **UBER** also offer buys of 6500 Sep. \$37.50 calls

**Caesar's (CZR)** with 5 000 January 27th (W) / Feb. 3rd (W) \$48.5/\$50 call diagonals opening for \$0.10

**Domino's (DPZ)** buyer of 3147 March \$370 calls \$9.80 as Feb. 350 calls recently written up adjust

**Bumble (BMBL)** with 7500 March \$17.5 puts sold to open \$0.525

**eBay (EBAY)** buyer 2179 July \$42.50 puts for \$2.63

**Wynn (WYNN)** opening seller 1000 September \$90 puts for \$8.70 in stock replacement

**Royal Caribbean (RCL)** with 1000 January 2025 \$65 calls sold to open for \$19

**Activision (ATVI)** with 1500 Feb 23rd \$84 puts sold to open \$2.20, adjusting Jan 27th short puts

**Floor & Decor (FND)** stock tied buyer of 1000 Feb \$80 puts for \$3.30

**Disney (DIS)** large stock replacement buys 2800 January 2025 \$130 calls for \$10.85, continues to act strong

**MGM Resorts (MGM)** into strength seeing 5000 June \$38 puts bought for \$3.05

### Energy

**Schlumberger (SLB)** after earnings seeing 7453 March \$55 puts sold for \$2.10 to buy the \$60/\$65 call spreads at \$1.60, small overall credit for covered bull risk reversals

**Enovik (ENVX)** opening sale 3975 January 2024 \$17.5 calls \$1.09 as April 10 short calls adjust

**Ovintiv (OVV)** opening seller 1000 April \$45 puts \$2.65 follows some upside call spreads in the Energy name yesterday

**Nine Energy (NINE)** small cap that continues to see unusual call action with 1500 February \$13 trading early

**Transocean (RIG)** buyer 10K February \$6 puts for \$0.41

**Array (ARRY)** with recent solar weakness opening seller 2500 February \$20 puts for \$0.75

**Diamondback (FANG)** buyer 300 June \$155 calls for 10.80

**Cheniere (LNG)** with 400 September 135 puts sold to open 9.40. **LNG** also 700 December 185/135 strangles sold to open 22.30

**SandRidge Energy (SD)** with 2000 Feb \$17.50 puts sold to open \$1.05, adjusting Jan short puts

### Financials

**Affirm (AFRM)** next week \$13 calls hot early 6500X bought \$0.52 to \$0.71

**Blackstone (BX)** with 1000 September \$80 puts sold to open 9.65

**Morgan Stanley (MS)** buyers 1900 September \$90 puts today \$6.05 to \$6.15

**Rexford Industrial (REXR)** seeing 1387 March \$60 calls sold to open \$2.60, adjusting Jans

**Goldman (GS)** into the selloff seeing a confident bull open 1600 Feb \$340 bull synthetics at \$1.85 debits

**Ally Financial (ALLY)** seeing 6000x9000x Jan 2024 \$25/\$20 put ratio spreads open for near \$0.55 debit

**Grupo Financiero (GGAL)** unusual buy of 5000 Jan 2024 \$20 calls for \$1.65, also a buyer of 5000 of the \$22.50 calls at \$1.25

**Visa (V)** buyer of 4500 March \$250 calls at \$0.82, earnings next week



### Healthcare

**Gilead (GILD)** with 2450 August 95 calls sold to open near \$2.41

**InMode (INMD)** buyer 2000 February \$30 calls for \$4.70 as January calls adjust

**Amgen (AMGN)** large opening sale 500 January 2024 \$265 puts for \$24.60

**Thermo Fisher (TMO)** with 1250 February \$580 synthetic longs opening for \$8.70

**Revance Therapeutics (RVNC)** seeing a block of 3000 Feb \$30 puts sold to open at \$1.65 bids aggressively

**Moderna (MRNA)** seeing 900 Feb \$190 bear synthetics open for \$1.56 credit

**AbbVie (ABBV)** seeing 6000x12,000x Feb \$145/\$135 put ratio spreads for \$1.35 debit, likely protecting long stock into earnings

### Industrials

**Delta (DAL)** with 6500 March \$41 calls sold to open down to 1.25

**Otis (OTIS)** spread buys 2000 June 77.50 puts and sells 2600 of the 67.5 puts

**Union Pacific (UNP)** with 1700 Feb \$200 bull synthetics open at \$7.14 debit

**Fluor (FLR)** with 2750 March \$40 calls bought at \$0.95

### Materials

**Wheaton Precious Metals (WPM)** opening sale of 750 June \$50 puts for \$6.30

### Tech

**Workday (WDAY)** with 1300 Feb 10th \$170 calls being bought here for \$6.30, strong chart

**Shopify (SHOP)** buyers of 2200 Feb 3rd \$40.50 calls at \$1.24

**Elastic (ESTC)** basing for a few weeks and size buyer here 2000 March \$55 calls \$4.10 to \$4.20

**Consensus Care (CCSI)** opening sale 1100 September \$75 calls for \$3

**Splunk (SPLK)** another Software name with call buying as 1200 March \$90 are bought \$7.15 offers

**Chegg (CHGG)** with 2500 February 22.50 puts bought up to \$2.80

**Intel (INTC)** buyers hot for 15,000 February \$26 puts into earnings next week, likely another ugly quarter coming

**IBM (IBM)** seeing 2300 Feb 24th \$145/\$135 bull put spreads sell to open \$4.50. **IBM (IBM)** seeing 3000 Feb 24th \$140/\$150 strangles bought at \$5.83

**Pure Storage (PSTG)** unusual 7350 February \$22 puts bought \$0.30, a name at risk of the major Tech Co's lowering spending

**Autodesk (ADSK)** buyer 1000 February \$210 calls \$4.40 to \$4.80

**Cisco (CSCO)** large buy write sells 12,000 July \$52.50 calls for \$0.98

**DocuSign (DOCU)** opening sellers 6000 February 47.50 puts 0.86 to 0.83. **DOCU** also buyers 5000 Feb. 3rd (W) \$58 calls up to 1.28

**Apple (AAPL)** April \$125 puts being sold to open 20,000X at 3.85

**Broadcom (AVGO)** with 5250 March \$610/\$480 bull risk reversals opening for \$5.10 debit

**Sentinel One (S)** beaten up Software name with 4400 March \$15 calls bought \$1.50 offer as puts in a multi-week base

**Zoom (ZM)** nice lower value support bounce and 2000 June \$70 calls are bought \$9.75 and follows bull action earlier in the week

**Sea (SE)** into the pop seeing 1600 June \$60 puts bought \$7.95

**Alibaba (BABA)** seeing a large buyer of September \$80 ITM calls bought for \$45.75, staying bullish. **BABA** into strength also seeing 4000 Jan 2024 \$175 calls sell to open for \$7.65

**Micron (MU)** with 3200 June 2024 \$40 puts bought for \$3.05. **MU** also with 6000 Feb \$57.50 puts bought \$2.50

**Snowflake (SNOW)** up 5% today and seeing 2000 Feb 24th \$150/\$125 bullish risk reversals open for \$2.30 debits

**Wolfspeed (WOLF)** seeing opening seller for 1300 June \$115 calls at \$2.30

**Snap (SNAP)** with 1600 July \$9 puts sold to open \$1.65

### Communications/Utilities

#### **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.*

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