



The **S&P 500 (SPX)** closed higher for the sixth straight week, its longest stretch since January/February, and continued to gain ground on new all-time highs. We traded in a narrow range (~40 points) for nearly two weeks before breaking out to the upside on Friday. The upside target remains the channel high from the June lows up around 3,170. Meanwhile, the July-to-October range we broke out of recently targets 3,240. We had a bullish MACD crossover on the weekly recently as well while RSI is out of a narrow range and back at its best level since Sept. 2018. In the short-term, we remain extended but without a close below the 8-EMA since early October, the trend remains cautiously optimistic to the upside. A move below could setup a much-needed correction to regain some energy higher. The mid-point of this channel at 3,060 would be near-term support. It also aligns with the rising 20-day MA. Below that would be the prior range resistance and now support at 3,030.



Market Sentiment/Breadth

The latest AAI sentiment survey for the week ending 11/13 showed a modest 0.4% increase in bulls, a 0.9% increase in bears, and a 1.3% decline in neutral readings. Bullish sentiment remains slightly elevated. NAAIM Exposure dropped a bit off of recent highs to 72.25 from over 90 in the previous week. Lipper fund flows had \$1.8B of inflows to equities, the largest inflow in a month. BAML fund flows showed \$9.7B of inflows to equities with emerging markets getting their biggest influx of new money in 10 months. The number of new highs on the NYSE on Friday were 119 and continues to diverge with price action of the S&P at new highs. NYSE Summation closed at 655.63 and crossed under the 8-EMA this week, as expected, and a cautious signal. Cumulative A/D hit new highs on Friday. The 50-day MA of CBOE Equity P/C ratio continues to fall and now at its lowest since early August. NYMO is -4.49.

Market Event Outlook

Monday: Housing Market Index at 10:00, Loretta Mester Speaks; **International Data:** RBA Meeting Minutes; **Earnings Before the Open:** LX, MANU, QD; **Earnings After the Close:** CRMT, ASH, BILI, KRNT, WWD, ZTO; **Analyst Days:** LEG, FTNT

Tuesday: Housing Starts at 8:30 AM, John Williams Speaks; **Earnings Before the Open:** WUBA, ARMK, DAVA, HD, JKS, KSS, MMS, MDT, NJR, TJX, TDG; **Earnings After the Close:** ESE, PAGS, URBN; **Analyst Days:** MTH, TRP, HY, COP, QCOM, GIL; **Conferences:** RBC TMT Conference (AKAM, ANET, LOGM, ROKU, JCOM, CLS, RDFN, VRNS, BKNG, FTNT, ETSY, TYL, WIX, PFPT, CTSH, DDOG, TRUP, PINS, NTCT, TLRA, ZEN, FIS, TREE, ZG, Z, ANSS, PRO, SAIL, DT, EVER, MIME, PI, PTC, RPD, HUBS, WDC, OTEX, NCR, PING, SSNC, TRUE, CTXS, ALTR, QUOT, LYFT, JMIA, UBER), Stifel Global Health Conference (CORT, SPRO, BLFS, DTIL, NSTG, CUTR, NBSE, LIFE, MDGL, ARCT, CNCE, ATRC, LIVN, IDYA, QURE, NOV, ZYME, HRC, GWPH, SIEN, APYX, CSII, STOK, IMUX, CDXS, INSM, SILK, IIN, IRIX, DBVT, NVCN, MNTA, CUE, CFX, INGN, PRVL, TRUP, TBIO, INSP, TECH, ESPR, DVAX, EQ, EOLS, IOVA, MGNX, RARE, ASND, TNDM, PKI, ONCT, ALLO, MLND, VRNA, BHC, KIDS, ELGX, SAGE, TXMD, AERI, ALDX, GTHX, CBIO, SELB, KURA, IGMS, SRNE, SBBP, IONS, ZGNX, VKTX, MEIP, ALNY, CARA, ALKS, HARP, SVRA, EXEL, RVNC, SUPN, ITRM, ALXN, KALV), Dreamforce Conference (CRM)

Wednesday: EIA Petroleum at 10:30 AM, FOMC Minutes at 2:00 PM; **International Data:** German PPI, Singapore GDP; **Earnings Before the Open:** AVYA, LOW, PDD, QIWI, SR, TGT; **Earnings After the Close:** CPRT, JACK, LB, LZB, NTES, NUAN, SQM, SONO; **Analyst Days:** CREE, FOCS, OMF, PLT, NTGR, OSTK, CRM, ROK; **Conferences:** RBC TMT Conference, Stifel Global Health Conference, Dreamforce Conference, Jefferies London Healthcare Conference (NBIX, TMO, REGN, EXAS, VCRA, ESPR, BDSI, IOVA, MNK, CRL, AMRN, CTMX, AXGN, ALDX, TCRR, XERS, IGMS, SBPH, IONS, CRBP, CHRS, VKTX, BMRN, CARA, ALKS); **Other:** Democratic Debate

Thursday: Weekly Claims at 8:30 AM, Philly Fed at 8:30, Existing Home Sales at 10:00, Neel Kashkari Speaks; **International Data:** EU Consumer Confidence, Japan PMI Manufacturing Flash; **Earnings Before the Open:** ASYS, PLAN, BZUN, BERY, BJ, BRC, BV, AQUA, M, SDRL, SFL; **Earnings After the Close:** ENTA, GPS, IIIV, INTU, MATW, JWN, OOMA, POST, PSTG, ROST, SCVL, SPLK, WSM; **Analyst Days:** EPAM, EBS, NMIH, AMP, FWONA/FWONK, LSXMK/LSMXB, BATRA/BATRK, LTRPA, TRIP, QRTEA, ENR; **Conferences:** RBC TMT Conference, Stifel Global Health Conference, Dreamforce Conference, Jefferies London Healthcare Conference

Friday: PMI Composite Flash at 9:45 AM, Consumer Sentiment at 10:00; **International Data:** German GDP, EU PMI Composite Flash; **Earnings Before the Open:** ATKR, BKE, FL, HIBB, SJM; **Analyst Days:** RDHL, SSW; **Conferences:** Dreamforce Conference

Weekly Open Interest Radar

Ciena (CIEN) shares looking to clear a small base and downtrend and move back above the 50-day in a continuation of the long-term trend higher. Shares pulled back to the 38.2% Fibonacci of the run from the October lows. A move higher targets the September VPOC at \$40 and then further upside to \$42 and then recent highs at \$46. CIEN has sizable call open interest in the January 2020 and 2021 calls with the \$40 strike of the latter over 2500X.

Trade to Consider: Long the **CIEN** January \$39 Calls for \$1.95 or Better



Weekly Options Technical Trade Set-Up

Ticker	NFLX
Trigger Level	\$298
Call/Put	Calls
Strike	\$300
Target	\$305
Stop	\$294



Insider Trade of the Week

Black Knight (BKI) with a sizable insider buy from CEO Anthony Jabbour of 17,675 shares on 11/8, a more than \$1M buy at \$56.65. This follows a \$1M buy last December at \$45.17. BKI doesn't have any other notable buys in the last four years. Shares are up around 34% for the year and down around 7% from 52-week highs after gapping on earnings recently. BKI focuses on software and data analytics solutions for the mortgage and consumer loan markets. They're benefitting from a strong origination market with lower rates while expansion of their product portfolio (bankruptcy/foreclosure, automation, P2B communications, settlement services, etc.) is helping drive retention and cross-sell opportunities. The \$9.07B company trades 24X FCF and 9.11X EV/sales. They see revenue growth of 3.5% and 6.5% the next two years. Analysts have an average target for shares of \$63. Piper with a \$66 PT citing their strong competitive positioning to drive the secular trend of digitizing mortgage servicing and origination with its software platforms. They also think the company's \$375M investment in the Dun & Bradstreet consortium could generate significant investment gain. Goldman upgrading to Buy earlier this year as the pipeline of new bank client wins in both mortgage servicing and origination software should drive accelerating revenue growth over 2019 and into 2020. Short interest is 1.9%. Hedge fund ownership fell 12.5% in Q3. On the chart, shares gapped down to the 50% retracement of the recent rally from the December 2018 lows. They've bounced hard and into the gap that tracks back to \$62.

Earnings Preview

TJX Co (TJX) will report earnings on Tuesday before the open with the Street looking for \$0.66 on \$10.31B (+8.6%). Next quarter is looking for \$0.76 on \$11.77B while the FY is \$2.61 and \$41.15B. Shares have closed higher four of the last six with an average closing move of 2.8%. Skew is bearish at 13.6% vs 6.7% average with 30-day IV in the 75th percentile of its range. The \$72.4B retailer trades 21X earnings, 1.8X sales, and 55.5X FCF with a 1.55% yield. TJX is the largest off-price retailer in the US and benefitting from an otherwise disappointing retail environment over the last couple years as more brands accelerate inventory ahead of tariffs. They disappointed on comps in Q2 but positive on the early signs in Q3 as they adjusted assortment mix. They also highlighted wage costs and freight rates as headwinds that should abate. Analysts have an average target for shares of \$61. Guggenheim raising estimates on 11-14 seeing off-price as the best place to be positioned in retail again and should continue to outperform this holiday and in 2020 based on the inventory imbalance in the marketplace today. Barclays starting at Overweight on 11-12 with a \$66 PT. TJX should see some relief from freight and wage pressure in FY20. Loop Capital positive checks on 10-17 after a somewhat disappointing Q2, the firm says that Home Goods has focused more on bigger-ticket categories and a more "attractive" seasonal assortment which should be a positive driver. Short interest is 1.1% and flat over the last year. Hedge fund ownership fell 9.5% in Q3. Bluespruce added another 1.46M shares to their position, now over 4.49M shares and their 4th largest. Carlson Capital also a notable buyer. On the chart, shares are in a strong trend higher and consolidating in a bull flag after recently clearing a big range. Shares have a measured target to \$65.

Date	Description	Volume	Open.Int	Price	Delta	Impl Vol	Prob.ITM	Premium Paic
11/14/2019	TJX 100 17 JAN 20 57.5 PUT	1,354	941	\$1.55	-0.364	23.19%	40.21%	\$209,870
11/11/2019	TJX 100 20 DEC 19 60 CALL	1,870	1,022	\$1.24	0.392	23.84%	36.30%	\$231,880
11/4/2019	TJX 100 15 JAN 21 55 PUT	971	603	\$4.70	-0.36	26.11%	47.27%	\$456,370
10/22/2019	TJX 100 20 DEC 19 65 CALL	4,783	9	\$0.60	0.22	20.69%	19.83%	\$310,895
10/18/2019	TJX 100 17 JAN 20 60 PUT	2,446	147	\$2.48	-0.44	23.05%	48.79%	\$611,500
10/16/2019	TJX 100 15 NOV 19 60 CALL	1,768	677	\$0.95	0.42	19.15%	39.76%	\$176,800
9/13/2019	TJX 100 17 APR 20 57.5 CALL	754	555	\$4.09	0.503	23.98%	43.46%	\$308,386
9/9/2019	TJX 100 15 JAN 21 60 CALL	501	180	\$5.25	0.48	24.99%	37.24%	\$275,550
8/19/2019	TJX 100 17 APR 20 45 CALL	441	0	\$8.10	0.76	29.60%	68.16%	\$357,210

November 22nd (W) OpEx Notable Open Interest

Date	Description	Volume	Price	Premium Paid	Date	Description	Volume	Price	Premium Paid
11/15/2019	TSLA 100 (Weeklys) 22 NOV 19 310 CALL	3,213	\$42.20	\$13,558,860	11/13/2019	LOW 100 (Weeklys) 22 NOV 19 116 CALL	2,367	\$2.71	\$641,457
11/15/2019	TSLA 100 (Weeklys) 22 NOV 19 305 CALL	1,016	\$47.26	\$4,801,616	11/12/2019	AVGO 100 (Weeklys) 22 NOV 19 322.5 CALL	3,122	\$2.05	\$640,010
10/11/2019	BABA 100 (Weeklys) 22 NOV 19 187.5 PUT	2,485	\$16.95	\$4,212,075	11/13/2019	LOW 100 (Weeklys) 22 NOV 19 113 PUT	1,570	\$4.05	\$635,850
11/5/2019	M 100 (Weeklys) 22 NOV 19 17 PUT	21,648	\$1.45	\$3,182,256	11/15/2019	ACB 100 (Weeklys) 22 NOV 19 3 PUT	16,425	\$0.38	\$624,150
11/6/2019	TSLA 100 (Weeklys) 22 NOV 19 320 CALL	2,321	\$10.49	\$2,448,655	11/15/2019	SHOP 100 (Weeklys) 22 NOV 19 315 CALL	1,092	\$5.70	\$622,440
11/12/2019	M 100 (Weeklys) 22 NOV 19 17 PUT	14,559	\$1.60	\$2,329,440	11/8/2019	SHAK 100 (Weeklys) 22 NOV 19 61 PUT	5,211	\$1.18	\$614,898
11/7/2019	AAPL 100 (Weeklys) 22 NOV 19 260 PUT	5,926	\$3.81	\$2,257,806	11/12/2019	LYFT 100 (Weeklys) 22 NOV 19 44 PUT	2,941	\$2.09	\$614,669
11/13/2019	ACB 100 (Weeklys) 22 NOV 19 5 PUT	12,153	\$1.60	\$1,944,480	11/12/2019	JWN 100 (Weeklys) 22 NOV 19 35 PUT	4,344	\$1.40	\$608,160
11/14/2019	NFLX 100 (Weeklys) 22 NOV 19 280 CALL	1,584	\$11.53	\$1,826,352	11/11/2019	BSX 100 (Weeklys) 22 NOV 19 40.5 CALL	11,478	\$0.51	\$585,378
11/8/2019	CRM 100 (Weeklys) 22 NOV 19 165 CALL	9,305	\$1.90	\$1,767,950	11/14/2019	BMY 100 (Weeklys) 22 NOV 19 58 CALL	5,675	\$1.02	\$578,850
11/11/2019	BIDU 100 (Weeklys) 22 NOV 19 120 PUT	6,083	\$2.33	\$1,417,339	11/12/2019	BSX 100 (Weeklys) 22 NOV 19 41 CALL	6,079	\$0.90	\$547,110
11/6/2019	DIS 100 (Weeklys) 22 NOV 19 135 CALL	6,938	\$2.04	\$1,415,352	11/15/2019	BSX 100 (Weeklys) 22 NOV 19 42 CALL	5,408	\$1.01	\$546,208
10/8/2019	BABA 100 (Weeklys) 22 NOV 19 155 CALL	1,008	\$13.75	\$1,386,000	11/15/2019	FDX 100 (Weeklys) 22 NOV 19 157.5 CALL	2,320	\$2.23	\$517,360
11/12/2019	TGT 100 (Weeklys) 22 NOV 19 100 CALL	1,583	\$8.75	\$1,385,125	10/24/2019	AAL 100 (Weeklys) 22 NOV 19 28.5 CALL	2,706	\$1.75	\$508,728
11/8/2019	SHAK 100 (Weeklys) 22 NOV 19 64 PUT	4,900	\$2.73	\$1,337,700	11/1/2019	OLED 100 (Weeklys) 22 NOV 19 190 CALL	415	\$12.19	\$505,885
10/10/2019	M 100 (Weeklys) 22 NOV 19 16 PUT	7,449	\$1.58	\$1,273,779	10/29/2019	CSX 100 (Weeklys) 22 NOV 19 72 CALL	5,212	\$0.92	\$500,352
11/15/2019	LULU 100 (Weeklys) 22 NOV 19 215 CALL	4,027	\$3.10	\$1,248,370	10/16/2019	MSFT 100 (Weeklys) 22 NOV 19 145 CALL	2,371	\$1.85	\$474,200
11/15/2019	DG 100 (Weeklys) 22 NOV 19 157.5 CALL	3,722	\$3.30	\$1,228,260	11/8/2019	TNDM 100 (Weeklys) 22 NOV 19 56 CALL	1,187	\$3.90	\$462,930
10/11/2019	M 100 (Weeklys) 22 NOV 19 16 PUT	7,756	\$1.56	\$1,225,448	11/13/2019	LOW 100 (Weeklys) 22 NOV 19 114 PUT	960	\$4.75	\$456,000
11/11/2019	BA 100 (Weeklys) 22 NOV 19 355 CALL	812	\$15.02	\$1,219,624	11/15/2019	M 100 (Weeklys) 22 NOV 19 15 PUT	12,989	\$0.35	\$454,615
10/21/2019	BABA 100 (Weeklys) 22 NOV 19 175 CALL	2,026	\$5.85	\$1,185,210	11/15/2019	SNAP 100 (Weeklys) 22 NOV 19 15 PUT	3,774	\$1.18	\$445,332
10/4/2019	AAPL 100 (Weeklys) 22 NOV 19 225 CALL	1,176	\$10.00	\$1,176,000	11/1/2019	FL 100 (Weeklys) 22 NOV 19 45.5 CALL	2,008	\$2.20	\$441,760
11/15/2019	COST 100 (Weeklys) 22 NOV 19 305 CALL	5,913	\$1.97	\$1,164,861	11/13/2019	ATVI 100 (Weeklys) 22 NOV 19 52.5 CALL	4,728	\$0.91	\$430,248
11/13/2019	NVDA 100 (Weeklys) 22 NOV 19 207.5 CALL	1,351	\$8.55	\$1,155,105	11/5/2019	UAA 100 (Weeklys) 22 NOV 19 17.5 CALL	4,141	\$1.01	\$426,523
11/7/2019	BIDU 100 (Weeklys) 22 NOV 19 117 CALL	1,625	\$6.95	\$1,129,375	11/11/2019	TTD 100 (Weeklys) 22 NOV 19 215 CALL	472	\$9.00	\$424,800
10/7/2019	M 100 (Weeklys) 22 NOV 19 16 PUT	5,690	\$1.62	\$1,012,820	11/15/2019	LULU 100 (Weeklys) 22 NOV 19 220 CALL	3,970	\$1.07	\$424,790
10/15/2019	GE 100 (Weeklys) 22 NOV 19 10 PUT	8,318	\$1.21	\$1,006,478	11/12/2019	AMD 100 (Weeklys) 22 NOV 19 37 CALL	5,163	\$0.80	\$413,040
11/15/2019	MU 100 (Weeklys) 22 NOV 19 48 PUT	8,945	\$1.09	\$975,005	10/11/2019	TWLO 100 (Weeklys) 22 NOV 19 120 PUT	370	\$11.25	\$412,550
11/11/2019	BIDU 100 (Weeklys) 22 NOV 19 118 PUT	5,775	\$1.58	\$912,450	11/15/2019	WDC 100 (Weeklys) 22 NOV 19 51.5 PUT	2,573	\$1.59	\$409,107
11/1/2019	SPLK 100 (Weeklys) 22 NOV 19 124 CALL	1,877	\$4.70	\$882,190	11/12/2019	FL 100 (Weeklys) 22 NOV 19 42 PUT	3,170	\$1.28	\$405,760
11/15/2019	LK 100 (Weeklys) 22 NOV 19 24 CALL	2,357	\$3.60	\$848,520	11/15/2019	AKAM 100 (Weeklys) 22 NOV 19 87.5 CALL	3,440	\$1.17	\$402,480
11/15/2019	SPLK 100 (Weeklys) 22 NOV 19 118 CALL	1,663	\$5.10	\$848,130	11/12/2019	TIF 100 (Weeklys) 22 NOV 19 120 PUT	1,605	\$2.42	\$388,410
11/15/2019	MDT 100 (Weeklys) 22 NOV 19 110 CALL	2,303	\$3.21	\$739,263	11/7/2019	WDC 100 (Weeklys) 22 NOV 19 50 CALL	1,020	\$3.80	\$387,600
11/13/2019	AVGO 100 (Weeklys) 22 NOV 19 315 CALL	1,696	\$4.20	\$712,320	10/16/2019	CSCO 100 (Weeklys) 22 NOV 19 47.5 CALL	3,060	\$1.25	\$385,560
10/9/2019	CLF 100 (Weeklys) 22 NOV 19 7 CALL	11,383	\$0.55	\$682,980	11/15/2019	MDT 100 (Weeklys) 22 NOV 19 112 CALL	1,886	\$2.04	\$384,744
11/14/2019	M 100 (Weeklys) 22 NOV 19 15 PUT	13,627	\$0.49	\$667,723	10/18/2019	AVGO 100 (Weeklys) 22 NOV 19 290 CALL	550	\$7.38	\$379,500
11/12/2019	JWN 100 (Weeklys) 22 NOV 19 33 PUT	8,690	\$0.76	\$660,440	10/10/2019	AMRN 100 (Weeklys) 22 NOV 19 17 CALL	2,018	\$1.72	\$373,330

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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