



WEEKLY RADAR REPORT 3-20-22



Technical Market View

The **S&P 500** had its best week since November 2020, closing back above YTD VWAP and its 55-EMA after the Fed raised rates for the first time since 2018 and the situation in Ukraine continues to be analyzed. We broke back inside of March value last week and nearing monthly VPOC at 4475 which could provide a near-term spot for consolidation after the big run. There's also a high-volume node from early February in focus as well with a VPOC at 4508.75. An extended move higher would target the value high for March near 4540 and then 4590 which is the low-end of value from November/December. Support below is at the rising 8- and 21-EMA at 4330, the prior balance breakout at 4300, and then down near 4240. Momentum is improving quickly but not yet into extreme overbought levels – even if we are on a short-term basis. RSI is back above 55 and MACD had a bullish crossover on 3/15 but remains in a negative trend overall.



Market Sentiment/Breadth

AAll sentiment for the week ending 3/16 saw bullish responses fall to 22.5% from 24% while bearish responses rose to 49.8% from 45.8%. Neutral sentiment fell to 27.8% from 30.2%. Overall, both bullish and bearish sentiment remains at extremes. NAAIM Exposure rose to 46.68 from 42.58 and remains overly pessimistic. Lipper Fund flows had \$3.1B of outflows for equities, the first exodus in five weeks. As of Friday's close, there were 120 new highs versus 62 new lows, improving breadth. The percentage of stocks above their 50-MA was 47.5% while those above their 200-day was 32.2%, both improving but not at extremes. NYSI finally broke back above the 8-EMA last week for the first time since mid-January. NASI also had a strong break back above its 8-EMA. CBOE Equity P/C 50-day MA rose to 0.56 but remains neutral. NYSE Cumulative AD remains in a bearish trend. CNN Fear and Greed rose to 37 from 15 the week prior.

Seasonality Outlook

Per the Trader's Almanac,

- Monday after March OPEX has been weaker, S&P up just 7 of the last 21 years.
- Week after quad-witching, Dow down 22 of last 34 years but in 2020 up 12.8%, best week since 1931. S&P up only 14 of the last 42 years, avg return -0.06%.
- March historically sees mid-month strength (OPEX week) but ends the month weaker later in the month as end of quarter flows have been bearish.
- The Tech sector has bullish seasonality starting mid-March and going through early July. Average returns in the last 10 years of +11.3%, and last 5 years +20.1%.

Below shows the daily odds the market has been up each day since the year 2000. The week following March OPEX week has shown a more bearish tendency with the Monday after being specifically weaker with a post expiration hangover. Nasdaq overall has held up best this week compared to Dow and S&P. Nasdaq on average registered two days of at least 60% bull bias since 2000. Going into the final week of March and the first quarter, the tendency has been for selling to be present into quarter end the last 20 years with the final 3-4 days of March bearish overall. The first day of April is seasonally bullish.

Seasonality Percentages							since year 2000
	Monday	Tuesday	Wednesday	Thursday	Friday	Weekly Avg	
	3/21/2022	3/22/2022	3/23/2022	3/24/2022	3/25/2022		
Dow	38.1	47.6	42.9	33.3	57.1	43.8	
S&P	33.3	52.4	38.1	47.6	52.4	44.8	
Nasdaq	42.9	61.9	47.6	52.4	61.9	53.3	
Average	38.1	54.0	42.9	44.4	57.1	47.3	
	Monday	Tuesday	Wednesday	Thursday	Friday	Weekly Avg	
	3/28/2022	3/29/2022	3/30/2022	3/31/2022	4/1/2022		
Dow	42.9	42.9	66.7	42.9	61.9	51.5	
S&P	42.9	47.6	57.1	47.6	61.9	51.4	
Nasdaq	33.3	42.9	66.7	57.1	57.1	51.4	
Average	39.7	44.5	63.5	49.2	60.3	51.4	

Market Event Outlook

Monday: Fed's Bostic Speaks, Fed's Powell Speaks, Chicago Fed; **International Data:** China 1/5 Year LPR, Taiwan Exports; **Earnings Before the Open:** PDD; **Earnings After the Close:** NKE, TME, VLTA, FAT, SSKN, TELA, BWMN, AUGX; **Conferences:** Piper Energy (XPRO, TPIC, STEM, RUN, FTCI, MRC, SLB, WFRD, VLO, HLX, HP, OII, PIPR, MUR)

Tuesday: Redbook, Richmond Fed, Fed's Williams Speaks, Fed's Daly Speaks, Fed's Mester Speaks, API Inventories; **International Data:** ECB's Lagarde Speaks; **Earnings Before the Open:** CCL, RAIL, HUYA, GDS, IMBI, JILL, SNCE; **Earnings After the Close:** ADBE, WOR, HQY, AIR, POSH, GAN, PAYS, APTO, MXCT, DNAY, SNPO, XGN, ZY, CLBS; **Analyst Days:**

NVDA, REAL, NTAP; **Conferences:** Piper Energy, Keybank Life Sciences & Med Tech (NXGN, TKNO, CSTL, BLFS, PINC, LMAT, MRVI, AMWL, IVC, EVH, AVTR, ANGO, TFX, WST, XGN, INGN, ENZ, AZTA, CYRX, HQY, ICUI, EBS, AGTI, LFMD, AVNS, STVN, CDMO, TECH, RMD, ITGR, CTLT, RGEN)

Wednesday: Fed's Powell Speaks, New Home Sales, EIA Inventories, Fed's Daly Speaks; **International Data:** South Korea PPI, Singapore CPI, Taiwan Industrial Production, UK Budgets, ECB's Lagarde Speaks; **Earnings Before the Open:** GIS, JKS, WGO, CTAS, CL, VBLT, EPAC, REX, YOU, HZYN, EVGO, HTHT, WDH, BZ, FA, AWH, AGFY, TCEHY, FWRG, PDSB; **Earnings After the Close:** KBH, SOL, TCOM, PHUN, FUL, OXM, OLLI, COOK, FSM, SONX, EXAI, KRT, APTX, NAVB, RLMD, SIEN, RMED, CNVY, ENJY; **Analyst Days:** NKLA, WEX, WOOF; **Conferences:** Piper Energy, Keybank Life Sciences & Med Tech

Thursday: Durable Goods, Weekly Claims, Fed's Waller Speaks, Manufacturing PMI, Composite PMI, Services PMI, Fed's Evans Speaks, Fed's Bostic Speaks; **International Data:** ECB Economic Bulletin, EU Flash PMIs; **Earnings Before the Open:** DRI, SNX, MOMO, FDS, KC, TITN, MOV, UCL, GAMB, IMPL, HOOK, HEPS, TMDI, EVLO; **Earnings After the Close:** NIO, CODX, HNST, MAXN, CURI, MCW, VSTA, MDVL, MDWT, AUTO, ELDN, TMC, JOBY, OSS, PBLA, SGHT, UFAB, SMRT; **Analyst Days:** AIZ, ALK, CLS, JBT, MRNA; **Conferences:** Keybank Life Sciences & Med Tech

Friday: Fed's Williams Speaks, Michigan Consumer Sentiment, Pending Home Sales, Fed's Waller Speaks; **International Data:** Tokyo CPI, German IFO, EU Money Supply, EC Council; **Earnings Before the Open:** DOOO, PRVA, DCTH; **Analyst Days:** OSCR, CHS

Weekly Options Technical Trade Set-Up

Ticker	AMD
Trigger Level	\$115
Call/Put	Calls
Strike	\$115
Target	\$121
Stop	\$110



Weekly Open Interest Radar

Valero (VLO) strong setup with shares flagging under \$93.50 and looking for continuation of the long-term uptrend which measures out to \$102-\$105. Shares broke out of a big range in early 2022 and the recent consolidation has been holding steady above the prior resistance with a big upside target of \$110 and close above the 2019 peak. Flows have been very positive recently including a buyer of 5000 June \$110 calls on 3/18, over 5500 of the April \$100 calls, and buyers in the April \$90 and \$95 calls in size.

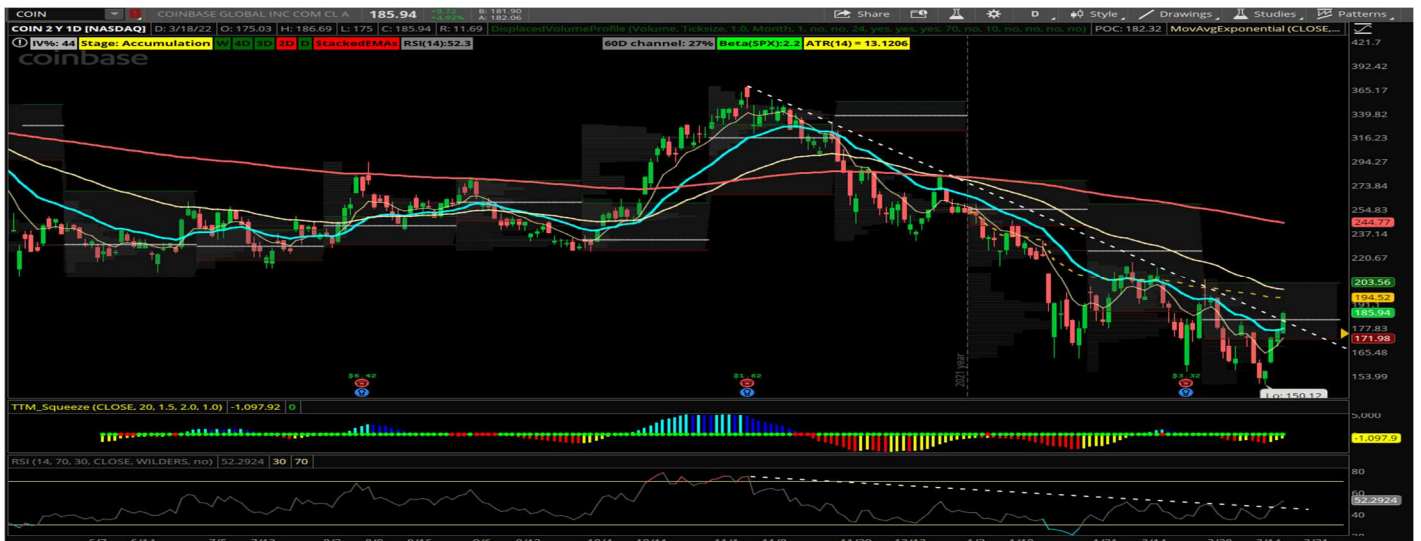
Trade to Consider: Long the **VLO** June \$100 Calls for \$3.25 or Better

Date	Description	Volume	Open.Int	Price	Delta	Impl Vo	Prob.ITV	Premium Paid
3/18/2022	VLO 100 17 JUN 22 110 CALL	5,000	727	\$1.41	0.17	40.38%	12.13%	\$705,000
3/14/2022	VLO 100 17 JUN 22 105 CALL	6,150	928	\$3.00	0.28	45.01%	20.75%	\$1,845,000
3/11/2022	VLO 100 14 APR 22 100 CALL	8,433	1,537	\$2.48	0.302	49.92%	25.19%	\$2,091,384
3/11/2022	VLO 100 14 APR 22 90 CALL	1,725	1,479	\$6.35	0.57	51.02%	50.83%	\$1,095,375
3/11/2022	VLO 100 14 APR 22 95 CALL	1,476	751	\$4.04	0.428	49.89%	37.03%	\$596,304
3/11/2022	VLO 100 14 APR 22 110 CALL	4,814	27	\$0.81	0.131	50.94%	10.16%	\$389,934
3/8/2022	VLO 100 17 JUN 22 90 PUT	1,301	164	\$9.25	-0.46	45.88%	56.02%	\$1,190,415
3/8/2022	VLO 100 20 JAN 23 110 CALL	491	184	\$7.30	0.36	43.26%	22.49%	\$370,705
3/4/2022	VLO 100 14 APR 22 85 CALL	1,241	414	\$5.65	0.56	45.65%	49.96%	\$701,165

Credit Spread of the Week

Coinbase (COIN) - COIN is a \$36.5B internet financial technology leader that provides end-to-end financial infrastructure and technology. It is primarily focused on building the crypto economy, a transparent financial system enabled by crypto that leverages crypto assets, a digital asset that is built using blockchain technology. The stock has corrected with other tech names the past 3 months, being down 25% during that time. But the recent move lower showed a failed breakdown and quick reversal off the lows back into the monthly value area, holding the 170 level impressively multiple times. RSI has broken its downtrend of late and points to a further recovery for COIN. The stock is still fairly new as it just had its IPO in April 2021 but has been more than cut in half since then. Often a time to look at contrarian ideas and expect the bounce back using short puts or bull put spreads. Overhead targets on COIN look to be the 200 round number and then possibly all the way to the 200 day EMA now near 240. Option flows in COIN have been mixed lately but into recent weakness on 3/16 a buyer of 1000 September \$190/\$220 call spreads for \$8. Also, on 2/1 an opening put seller in the April \$210 puts at \$30.80 for nearly \$3M in premium remains in open interest showing confidence the stock regains 210 into April expiration.

Trade to consider: Sell **COIN** May 170/160 bull put spread for \$3.35 credit or better.



Insider Trade of the Week

Bumble (BMBL) with a large open market buy on 3/17 from director Amy Griffin of 35,200 shares at \$28.35, a \$1M investment in the name. Griffin bought \$5M in stock in May 2021 at \$42.80. Shares are down 60% from 52-week highs but starting to work out of a downtrend after earnings and plenty of room above to \$35 and then the prior HVN at \$50. The \$5.87B company trades 7.7X earnings, 8.47X sales, and 20X cash. BMBL provides online dating and social networking platforms in North America and Europe with more than 40M users. BMBL was at the MSCO TMT conference on 3/10 highlighting opportunities in 2022 and beyond. They note that two recent acquisitions, Badoo and Fruitz, are rapidly gaining share outside of the US with the latter fast-growing in Europe while their core app has continued to win share outside the US as well. BMBL also continues to see new cohorts level up into paying tiers which should continue in 2022 as we move back into a more normalized social climate. Analysts have an average target for shares of \$43 with a Street High \$77. BMO upgraded to Outperform last week as the firm says online dating is poised to outperform the internet sector. For Bumble, discontinuing Russia swiftly addressed a building risk. Catalysts should be driven by the Bumble app and include international expansion milestones and new bundle launches. Short interest is 6.9%. Winslow Capital with a large stake, over 5.2M shares.

Earnings Preview

Ollie's (OLLI) reporting earnings on Wednesday March 23 after the close with the Street looking for \$0.66/\$513.12M in sales. The FY outlook is for \$2.33/\$1.76B, a 2.5% decline Y/Y. OLLI has closed lower the last two reports and four of the last six with an average closing move of 7.11% and a max move of 20.5%. The current implied move is 12.8%. OLLI shares are back at the March 2020 lows and a volume pocket below \$38.70 down to \$34. OLLI has little notable open interest but did have 3000 April \$42.50/\$32.50 put spreads open on 3/10 that remain. The \$2.6B company trades 18.2X earnings, 1.5X sales, and 27.8X FCF. OLLI is coming off a weak quarter highlighted by supply chain headwinds, shipping delays, and inventory shortages. They also noted that the "sudden rise inflation had an outsized impact on a portion of our customers who mostly live on a fixed income" and with inflationary pressures continuing to rise, another major area of concern into this print. Analysts have an average target for shares of \$62 with a Street High \$107. Wells Fargo cut estimates on 3/10 noting the company's inventory issues show no sign of letting up, as the most recent advertising flyers continue to suggest close-out product remains in short supply. While the holiday selling period looked particularly poor, the company's flyers in Q1 have only gotten worse in terms of quality and the number of items promoted. The early March flyer included the lowest number of promoted items since the analyst started tracking this metric over 2 years ago and the print and 2022 outlook are unlikely to offer much hope for a near-term improvement. In September, a director bought \$63K in shares at \$63.50. Hedge fund ownership fell 5%. Short interest is 18.25%.



Top 40 Micro-Cap Profile

MGP Ingredients (MGPI) shares are near flat YTD and in a long consolidation pattern after trending strong in 2020-2021. Although there are near-term concerns with the rising costs of wheat and natural gas for its operations, it is an attractive small cap that has continued to operate strong and capture several secular growth trends.

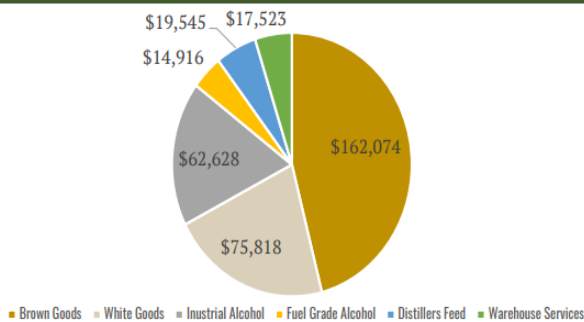
MGP is a leading producer and supplier of premium distilled spirits, branded spirits and food ingredients. Distilled spirits include premium bourbon and rye whiskeys and grain neutral spirits including vodka and gin. MGP is also a top producer of high-quality industrial alcohol for use in both food and non-food applications. The Company's protein and starch food ingredients provide a host of functional, nutritional, and sensory benefits for a wide range of food products to serve the consumer packaged goods industry.

MGPI has a market cap of \$1.8B and trades 18.9X Earnings, 13.3X EBITDA and 2.88X Sales with a strong balance sheet. Forecasts are calling for 12.8% revenue growth and 9.3% EBITDA growth in 2022. MGPI's latest earnings call cited strong demand for aged whiskey as a key growth driver. It also noted that Industrial Alcohol and White Goods margins are set to normalize to lower historical levels due to addition supply. MGPI sees a big opportunity in plant-based proteins with wheat-based texturized proteins as well as pea-based or other forms of plant-based proteins.

MGPI is a great way to position in the growing industry of plant-based alternatives without being tied to a single brand and also capitalizes on the strong growth in American Whiskey. It is a financially sound company with a great balance sheet, strong cash flow and attractive valuation.

MGP IS A LEADING SUPPLIER OF ALCOHOL SOLUTIONS TO THIRD PARTIES

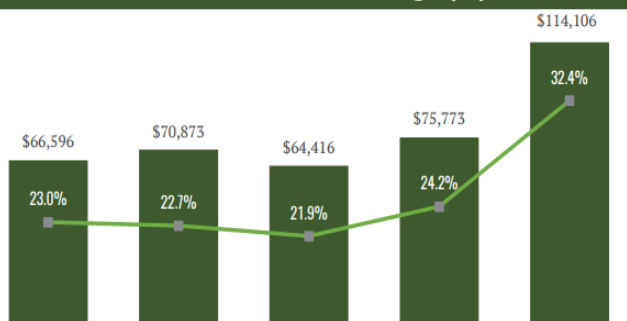
2021 Total Revenue of \$352,504



Products consist of the following:

- **Brown Goods:** Premium bourbon and rye whiskeys sold as aged whiskey or unaged new distillate, which is then aged by customers from two to four years
- **White Goods:** Primarily grain neutral spirits ("GNS"), including vodka and gin
- **Industrial Alcohol:** Used as an ingredient in foods, personal care products, cleaning solutions, pharmaceuticals, and other products
- **Fuel Grade Alcohol:** Sold primarily for blending with gasoline to increase the octane and oxygen levels
- **Distillers Feed and Related Co-Products:** Primarily dried mash and corn oil sold to processors of animal feeds
- **Warehouse Services:** Services related primarily to customer storage of Brown Goods product for aging

Historical Gross Profit and Margin (%)



Diversified customer base supporting over 300 new distillate and aged customers

Compete on product innovation, product characteristics, functionality, price, service, and quality factors, like flavor

March 25th (W) OpEx Notable Open Interest

Date	Description	Volume	Current	Current Price	Price Change	Current Value	OI Differential
3/9/2022	SNAP 100 (Weeklys) 25 MAR 22 37 PUT	9,996	10,145	\$7.21	76.28%	\$7,314,545	-0.67%
3/9/2022	SNAP 100 (Weeklys) 25 MAR 22 36 PUT	5,002	5,301	\$6.92	106.57%	\$3,668,292	-0.99%
2/11/2022	ZIM 100 (Weeklys) 25 MAR 22 75 CALL	969	1,972	\$9.70	201.24%	\$1,912,840	83.44%
2/28/2022	MRNA 100 (Weeklys) 25 MAR 22 145 PUT	2,116	2,546	\$7.25	-20.94%	\$1,845,850	4.64%
3/3/2022	NVDA 100 (Weeklys) 25 MAR 22 240 PUT	1,529	1,002	\$15.55	-0.96%	\$1,558,110	-49.09%
3/11/2022	AAPL 100 (Weeklys) 25 MAR 22 157.5 CALL	3,220	5,920	\$2.45	-19.67%	\$1,450,400	27.28%
2/9/2022	OXY 100 (Weeklys) 25 MAR 22 44 CALL	1,194	1,104	\$10.67	509.71%	\$1,177,968	-11.47%
2/25/2022	FIVE 100 (Weeklys) 25 MAR 22 155 PUT	1,249	1,153	\$9.30	82.35%	\$1,072,290	-8.42%
3/10/2022	MSFT 100 (Weeklys) 25 MAR 22 292.5 PUT	1,000	1,027	\$10.14	-30.78%	\$1,041,378	2.39%
3/16/2022	FCX 100 (Weeklys) 25 MAR 22 47 PUT	3,508	3,508	\$2.22		\$778,776	
3/3/2022	LMT 100 (Weeklys) 25 MAR 22 420 PUT	2,378	3,232	\$2.20	50.78%	\$711,040	35.46%
3/15/2022	NKE 100 (Weeklys) 25 MAR 22 130 CALL	2,138	3,581	\$1.90	7.34%	\$680,390	26.09%
3/16/2022	NKE 100 (Weeklys) 25 MAR 22 135 CALL	3,452	3,452	\$1.94		\$669,688	
2/8/2022	ZIM 100 (Weeklys) 25 MAR 22 80 CALL	1,202	1,173	\$5.60	126.72%	\$656,880	-9.21%
2/28/2022	TWTR 100 (Weeklys) 25 MAR 22 36 PUT	2,008	2,081	\$2.50	23.76%	\$520,250	-3.25%
3/4/2022	GM 100 (Weeklys) 25 MAR 22 40 CALL	1,550	1,789	\$2.89	-20.82%	\$517,021	14.83%
3/4/2022	JWN 100 (Weeklys) 25 MAR 22 25 CALL	6,054	6,229	\$0.78	-41.35%	\$485,862	1.73%
3/15/2022	KO 100 (Weeklys) 25 MAR 22 60 CALL	4,616	4,886	\$0.82	-10.87%	\$400,652	-7.06%
3/11/2022	CLF 100 (Weeklys) 25 MAR 22 26 CALL	3,296	4,353	\$0.91	-33.09%	\$396,123	-18.07%
3/15/2022	CME 100 (Weeklys) 25 MAR 22 220 PUT	1,853	1,759	\$2.15	0.00%	\$378,185	-5.38%
3/15/2022	CVX 100 (Weeklys) 25 MAR 22 160 CALL	1,454	1,031	\$3.55	4.41%	\$366,005	-49.98%
3/1/2022	SLB 100 (Weeklys) 25 MAR 22 42 CALL	3,606	4,506	\$0.78	23.81%	\$351,468	16.52%
3/8/2022	CLF 100 (Weeklys) 25 MAR 22 27 CALL	6,317	6,030	\$0.55	-37.50%	\$331,650	-21.92%
3/11/2022	BA 100 (Weeklys) 25 MAR 22 200 CALL	4,220	5,050	\$0.63	-22.22%	\$318,150	-13.42%
3/14/2022	LAZR 100 (Weeklys) 25 MAR 22 12.5 PUT	3,368	4,015	\$0.72	-2.70%	\$289,080	17.54%
3/14/2022	LAZR 100 (Weeklys) 25 MAR 22 13 CALL	4,032	5,062	\$0.56	1.75%	\$283,472	24.50%
3/14/2022	NKE 100 (Weeklys) 25 MAR 22 110 PUT	1,989	1,483	\$1.90	-29.37%	\$281,770	-33.71%
3/15/2022	OSTK 100 (Weeklys) 25 MAR 22 47 CALL	1,022	1,221	\$2.20	11.68%	\$268,620	15.41%

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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