



## S&P Global Bullish Positioning Through Year-End

**Ticker/Price:** SPGI (\$211.50)

### Analysis:

**S&P Global (SPGI)** with 500 January \$230/\$190 bull risk reversals opening today and follows 2,500 January \$210 puts sold to open the last two sessions for \$12.60 and \$11.70, over \$3M in premium. SPGI has seen put sales in the May and August puts recently as well but recent action the most notable in the name. SPGI has been a steady name all year above its 20-EMA (\$205.50) and back near the July/September 2018 highs around \$215. Long-term, the move above \$215 has a measured move to \$260+. The \$53B company trades 21.2X earnings, 8.5X sales, and 36.5X FCF with a 1% yield. They see 6% and 10% EPS growth the next two years with revenue growth accelerating to 3% and 6% after being around 1% in 2018. SPGI has adding on their AI/tech reach in data with recent deals for Kensho and Panjiva while also expanding into licensed data with FiscalNote and CrunchBase. SPGI has been speculated to be in the running for Acuris, the owner of Mergermarket, which could fetch around \$1B in sale. The company received first-of-its-kind approval from China in January to enter the local bond market, a big potential driver into late-2019 and next year. Analysts have an average target for shares of \$202 with 4 buy ratings and 5 hold ratings. Atlantic upgrading in January to Overweight. They see the narrowing of high-yield spreads in early 2019 as a tailwind for issuance in the early part of the year after a rocky Q4. They also see a better environment for debt refinancing agreements which will be a benefit for SPGI. Short interest is 1.8% and up from 1% in February. Institutional ownership rose 8.5%. TCI Fund a buyer of 1.5M shares while Vulcan Value a buyer of 640K shares. Blue Spruce with a 1.1M share stake, their largest.

### Hawk Vision:



**Trading Strategy:** SPGI is a name that correlates well with the broader markets and remains a fundamental favorite, though near-term extended and not seeing any great strategy at this level.

**Confidence Ranking:** \$\$