OptionsHawk

Las Vegas Sands Bullish Positions Build in Open Interest

Ticker/Price: LVS ($66.55)

Analysis:

Las Vegas Sands (LVS) continuing to draw bullish flow with buyers active yesterday in the June $67.50 calls for $2.10 and then 6,700 of the January $70 calls up to $4.35. LVS recently had 5,000 July $70 calls bought for $2.16 to $2.18, over 14,000 June $70 calls and 15,000 September $67.50 calls bought for $4.70 on 4/18. Shares are flagging under $69 and back at the 20-day EMA with the recent trade talk issues. The rising 50-EMA just below at $64 and then cloud support around $63.50 also key areas of support in focus. Shares traded as high as $77.50 in mid-2018. The $50.9B company trades 19X earnings, 3.69X sales, and 12.3X cash with a 4.63% yield. LVS expects 6% and 10.5% EPS growth with revenue growth accelerating to 5% in FY21. The company is coming off a strong quarter lifted by Macau with Sands China up 8% and steady growth from both mass market and non-gaming, the latter becoming a more important part of the overall mix. April was tough for Macau but Golden Week should give a slight boost to May numbers and comps start to ease a bit. Visitation to Macau has also been a tailwind with the new bridge opening in late 2018. They reported 15% increase in visitation last quarter from China. LVS has key long-term catalysts from a potential license in Japan, a huge TAM opportunity. Sands feels like it has a key advantage in the bidding process given their roots in the region. Analysts have an average target for shares of $69 with 5 buy ratings and 9 hold. Stifel with an $80 PT and Buy rating is encouraged by the strong mass market gaming performance. Short interest is 1%. Institutional ownership rose 12.5% last quarter. Melvin Capital a new 4.779M share position. Shares are below a key level where in July 2018 the COO bought over $711K in stock at $71.15.

Hawk Vision:

Trading Strategy: **LVS** looks like a nice entry into this pullback to its rising 33 EMA with size repeat flows.

Confidence Ranking: $$