



GW Pharma Bullish Bets Accumulate

Ticker/Price: GWPH (\$176)

Analysis:

GW Pharma (GWPH) with 1,000 August \$190/\$220 call spreads trading for \$5.75 this morning that follows recent buys of 3,000 August \$220 calls and 700 June \$195 calls yesterday. GWPH shares have pulled in the past week back to a previous major flag breakout level and now look to base and resume its strong trend higher. The \$5.57B Biopharmaceutical develops cannabinoid prescription medicines and revenues seen surging 2430% this year and 180% growth in 2020. GWPH's Epidiolex was the first FDA approved plant-derived cannabinoid for treatment of epilepsy. and is in the commercial launch stage. Analysts have an average target of \$225 on shares and short interest remains elevated at 11% of the float, rising 50% Q/Q. Guggenheim raised its target to \$222 last week as Epidiolex sales beat the Street by a wide margin as well as positive Phase 3 data in TSC a potential \$500M sales opportunity. Cantor raised its target to \$229 and OpCo upgraded to Outperform with a \$234 target.

Hawk Vision:



Trading Strategy: GWPH sets up nicely on the chart and seeing daily activity in calls, an intriguing growth name though the short interest is a concern. It's a name to keep an eye on for now.

Confidence Ranking: \$\$