



MetLife Bulls Position for 2020 Strength

Ticker/Price: MET (\$47.40)

Analysis:

MetLife (MET) shares flagging under a key \$48 level for a run back to \$50/\$51 resistance and continue to channel higher since bottoming late 2018. MET had a buyer of 5000 June \$50 calls to open yesterday though has seen 3500 December \$50 and 10,000 November \$50 calls sold to open, a potential calendar spread candidate. MET has also seen 5000 March \$45 calls bought on 8/29 and 2000 of the Jan. 2021 \$47.5 while 3000 October \$47.5/\$42.5 bull risk reversals opened recently as well. The \$44.7B Insurance Co. trades 7.8X Earnings and 5.85X FCF with a 3.72% yield and 10.5% ROE. MET will hold its Investor Conference on 12-12 and report earnings late October. Analysts have an average target of \$52 and short interest low at 2% of the float though jumped 50% Q/Q. CSFB with a note last week seeing large deals as a low probability but sees divestitures as likely. MET announced a \$2B buyback in August. RBC and Wells Fargo out with \$57 target after its latest quarter and Argus at \$54. Hedge Fund ownership fell 2.2% in Q2 filings, Master's Capital with a new position.

Hawk Vision:



Hawk's Perspective: MET sets up nicely with a flag here and a lower risk value name with a healthy yield, a group that looks to be coming back into favor.

Confidence Ranking: \$\$