



## Atlas Air Call Buys on China Trade Deal Hopes

**Ticker/Price:** AAWW (\$28.75)

### Analysis:

**Atlas Air (AAWW)** aggressive buy 1800 November \$30 calls up to \$2.45, working out of a base to start the week, trading 8X daily call volume. AAWW will next report results in late October. Shares recently hit the lowest level in a decade, and the \$705M provider of aircraft services trades 5X Earnings, 3.2X FCF and 6X EV/EBITDA. AAWW's Board Chairman passed away in August. AAWW short interest is 8.3% of the float. Cowen on 8-2 lowered its target to \$50 from \$68 noting the significant impact by trade tensions and tariffs resulting in slowing volumes and declines in pricing, and could see a strong recovery on any positive outcomes in trade negotiations. AMZN owns a large stake in AAWW and Stifel out in November seeing Amazon likely extending its contract for 20 planes, and notes there has been speculation of a full takeover from Amazon. Hedge Fund ownership fell 31.65% in Q2 filings.

### Hawk Vision:

