



Boston Scientific Calls Heat Up into Product-Driven Year-End

Ticker/Price: BSX \$41.40

Analysis:

Boston Scientific (BSX) buyers of more than 3,400 January \$44 calls this morning and then 2,000 November 29th (W) \$41.50 calls also bought to up to \$0.95, third straight session with call buys active. The Dec. 6th (W) \$41.50 calls with 6,000 bought this week as well while the December \$42 calls have over 1800 in open interest, the January \$42 calls with near 1,900X and the Jan. \$45 calls with over 4500X from buyers. The Jan. 2021 calls also with some notables. BSX shares are consolidating above the rising 20-MA with a move over \$42 targeting a move out of this weekly flag has a measured move to \$50. BSX has been in a strong long-term trend and holding trend support. The \$57.75B med-tech company trades 23X earnings and 5.5X sales with mid-teens EPS growth and sales up low-double digits. BSX is coming off a strong quarter with strength in Interventional, Peripheral, Pelvic Health, and Neuromod. Watchman sales continue to outperform and now over 600 accounts in the US with 100k patients. BSX will be at the Stifel Healthcare conference on 11-19. Short interest is 0.9%. Institutional ownership rose 6.5% in Q2. Viking Global, Third Point, and Eminence Capital notable buyers of shares. Analysts have an average target for shares of \$47. Cowen positive on 9-20 seeing a better 2H for the company with a steady flow of product launches due. JP Morgan positive on 9-5 with a \$50 PT with "many shots on goal" to support a multi-year premium organic sales growth trajectory of 7%-10% through 2023. BSX

Hawk Vision:



Hawk's Perspective: BSX sets up well against the recent lows and 200-MA around \$40 for a trade back to the highs and above with a potential catalyst in the conference next week.

Confidence Ranking: \$\$