



## Bullish Positioning for AstraZeneca Events

Ticker/Price: AZN (\$52.35)

### Analysis:

**AstraZeneca (AZN)** an active day of call buying on 5/27 as 45,000 traded, more than 35X average, the June \$52.5 calls active for more than 8500X and June 5<sup>th</sup> (W) \$53 calls trading more than 24,000 in more speculative smaller lots. AZN already has a lot of near-term open interest in calls including 10,000 of the June \$55 calls and July \$52.50 calls seen 3000X bought as well in late April and early May. AZN shares pulled back this week retesting the January level that marked a high before its sell-off and also holding just above YTD VPOC and key longer term moving averages. The \$138B Pharma trades 21.4X Earnings, 5.7X Sales and yields a 2.65% dividend. AZN has been in the news as a top Pharma name focusing on vaccines and the US recently supporting it with a \$1B payment to accelerate development of Oxford University's vaccine candidate with the agreement for 300M doses available in the US with first doses in October. There are currently 30,000 volunteers in Phase 3 trials with results due this Summer. AZN is also coming off a strong quarter delivering strong growth as new medicines are performing very well and it continues to have successful pipeline readouts for Tagrisso, Farxiga and Koselugo. In April AZN's lung cancer Phase 3 trial was halted for overwhelming efficacy and recently its Gastric cancer drug received orphan drug status. Analysts have an average target of \$55.30 and short interest low at 0.1% of the float. AZN will present at the Goldman Healthcare Conference on 6-9. Citi put AZN on positive catalyst watch in early May expecting positive showings at ASCO on 5-29. Hedge Fund ownership fell 0.75% in Q1 filings, Winslow Capital adding to its position.

### Hawk Vision:



**Hawk's Perspective:** AZN recent weakness looks like a good opportunity into ASCO and COVID-19 news as a Pharma firing on all cylinders.

**Confidence Ranking:** \$\$