



## FEATURED OPTIONS RADAR REPORT



### Unusual Call Buying in Kulicke & Soffa

**Ticker/Price:** KLIC (\$22)

#### Analysis:

**Kulicke and Soffa (KLIC)** unusual buying in August \$22 calls \$1.55 to \$1.70 for 2180X contracts and action now up over 3800X, a \$1.34B Semi Equipment name trading 13X Earnings with a strong balance sheet and a lot of cash. KLIC is positioned for growth in Auto, IoT, SSD, and Advanced Packaging, expanding its available markets. KLIC long seen as a M&A target and been an activist target in the past. KLIC forecasts see revenue growth of 13% this year and 23% next year. KLIC shares have not went anywhere since 2017 but the monthly forming a long \$19.50/\$24.50 high volume zone and it sits near support. On its April call it noted "Longer-term, ongoing technology transitions within the automotive market, display market and within advanced packaging are driving the need for new equipment capabilities. Ongoing progress of this technology transition will further diversify our unit-driven businesses. We continue to believe this improving condition and a longer-term opportunity will be much more meaningful to our business than the near-term headwinds." Analysts have an average target of \$30.75 on shares and short interest low at 2% of the float. KLIC raised its repurchase program to \$400M yesterday. B. Riley raised its target to \$29 in May on strong execution. Craig Hallum in January raised its target to \$40 seeing it positioned in growing markets and expansion of its advanced packaging solutions. Rising wirebonder utilization rates can also drive stronger numbers. Hedge Fund ownership fell nearly 7% in Q1 filings, Whale Rock a notable holder that added more shares.

#### Hawk Vision:



**Hawk's Perspective:** KLIC looks to be a forgotten name in Semi's that trades extremely attractive on valuation and potential M&A target, like the name versus recent low.

**Confidence Ranking:** \$\$