



FEATURED OPTIONS RADAR REPORT



Blackrock Call Buyer Looks for Momentum to New Highs

Ticker/Price: BLK (\$586.50)

Analysis:

Blackrock (BLK) buyer of 525 October \$600 calls for \$20.90 into late day weakness, a name that does not see a lot of large positioning and has minimal open interest of note. BLK has stood out recently on chart scans with shares emerging out of a tight bull flag with room to run to \$625 and take out 2018 and 2020 highs. BLK is coming off another stellar quarter where it saw \$100B of inflows driven by fixed income and cash management. It continues to see record inflows to its iShares products as the passive management theme grows. Technology services revenue increased 17% year-over-year reflecting continued momentum in Aladdin and the impact of the eFront acquisition. The \$87.5B Asset Manager trades cheap at 17.75X Earnings, 2.73X Book and yields 2.5%. BLK forecasts see revenue growth accelerating to 7.2% in 2021 with nearly 10% EPS growth. Analysts have an average target of \$645 with share interest minimal at 1.3% of the float. Argus raised its target to \$640 seeing shares undervalued and Citi to \$685 after the Q2 beat. BMO noted Blackrock will continue to steal market share from traditional managers. Hedge Fund ownership rose 2.55% in Q1 filings.

Hawk Vision:



Hawk's Perspective: BLK remains a favorite Financial name that tends to outperform peers and has such a strong business model, while the chart sets up very nicely as well.

Confidence Ranking: \$\$