



FEATURED OPTIONS RADAR REPORT



NASDAQ Bullish Positioning while Shares Consolidate into Potential Strong 2H

Ticker/Price: NDAQ (\$130.25)

Analysis:

NASDAQ (NDAQ) buyers 1000 September \$130 calls to open \$3.10 to \$3.30 and becomes the only real notable open interest in the name outside of 17,90 December \$135 calls that have accumulated. BA shares have been flagging in a bull wedge for weeks and basing above its 21 MA for over a week, setting up for a potential consolidation breakout and trend resumption higher that would target \$145. The \$21.4B financial data & exchange company trades 22X Earnings, 4.35X Sales and 26.25X FCF with a 1.5% yield. NDAQ has a resilient business model with the majority of revenues recurring and sees secular growth opportunities with the growing Market Tech and Info Services segment. Operating Margins have expanded to 51% from 46% the last few years and an impressive 4.9% FCF yield. NDAQ could also see a lift from a number of big Tech IPOs set to debut in Q4. Analysts have an average target of \$136.50 and short interest falling 30% Q/Q to just 1.7% of the float. Argus downgraded on valuation on 7/23 noting investors will continue to focus on the company's listings calendar, strong trading volumes, and growth in the pricing/analytics business. OpCo raised its target in June to \$135 noting Nasdaq's outperformance is driven by its diversified business model, percentage of recurring revenue, essential businesses, and electronification. Hedge Fund ownership rose 4.1% in Q2 filings, Findlay Park a notable top holder.

Hawk Vision:



Hawk's Perspective: NDAQ looks great on the chart and also a preferred name, liking the potential IPO catalyst for upside.

Confidence Ranking: \$\$