



FEATURED OPTIONS RADAR REPORT



Novavax Option Flows Point to Potential COVID Vaccine Winner

Ticker/Price: NVAX (\$102)

Analysis:

Novavax (NVAX) a Biotech vaccine name seeing a good amount of bullish positioning the last few weeks and current notable open interest includes 900 Oct. 30th (W) \$79 ITM calls at \$2.7M, 500 Nov. 27th (W) \$77 ITM calls at \$1.5M, 1700 November \$135 OTM calls at \$1.2M, 750 November \$90 calls at \$2M, and 500 December \$100/\$120 call spreads from a trade 8/31. NVAX shares are +2460% in 2020 moving as high as \$189 and as low as \$4. Shares are currently in a tight weekly range above the 21-week moving average. The \$6.5B company forecasts a surge in revenues the next two years and is expected to file for approval of their COVID vaccine in December. NVAX already has multiple collaboration and supply agreements in place with \$2B in funding for global coronavirus vaccine programs. NVAX's NanoFlu Phase 3 achieves all primary endpoints and is expected to see a US BLA submission under accelerated approval pathway. NVAX will report Phase 2 data for the NVX-CoV 2373 program in Q4. NVAX initiated Phase 3 trials in the UK on 9/24. Analysts have an average target of \$225 and short interest remains very high at 33% of the float. HC Wainwright estimated back in July that SARS-CoV-2 vaccine opportunity could peak at \$10B in 2023. B. Riley out on 9/8 noting NVAX a compelling buy seeing a differentiated clinical profile resulting in favorable contractual terms for NVAX. Cantor Fitzgerald on 9/3 noted the NEJM publication gave clear validation for NVAX's vaccine candidate with top-tier efficacy, and has an Overweight rating and \$211 target. HCW raised its target to \$290 in August seeing the NVAX vaccine as a leading option that could emerge with broad adoption and be highly lucrative for NVAX while it becomes a major player in vaccine development. Hedge Fund ownership rose 384% in Q2 filings, RA Capital with a near \$400M position at 7.73% of their portfolio.

Hawk Vision:



Hawk's Perspective: NVAX flows point to optimism but the high short float is a concern, so it is a speculative play while BNTX remains my favorite to emerge from the vaccine candidates.

Confidence Ranking: \$\$