



FEATURED OPTIONS RADAR REPORT



CRISPR Size Call Buys into Pullback

Ticker/Price: CRSP (\$91.80)

Analysis:

CRISPR Therapeutics (CRSP) on 10/30 with 1,650 January \$90 calls opening around \$15 in large trades, a name with very limited notable open interest outside of a 10/15 trade that sold 300 January 2022 \$130 calls to buy the \$110/\$80 put spreads in a likely collar strategy against a long stock position. CRSP was a relative strength name in Biotech with shares tripling from March to October and recently pulled back retest a bull wedge breakout level while the rising 21-week MA has been supportive so currently \$85/\$90 zone offer solid support. The \$6.75B Biotech is in the gene editing industry with a portfolio of therapeutic programs in a range of disease areas. CRSP has a wide range of ongoing clinical studies and early pipeline programs in regenerative medicine and in vivo gene editing for rare disease. Analysts have an average target of \$103 and short interest elevated at 9.8% of the float and rising 78% Q/Q. BAML initiated coverage at Buy in October with a \$110 target, saying "CRISPR's technology platform has generated a de-risked potentially best-in class curative therapy for transfusion-dependent beta-thalassemia (TDT) and sickle cell disease (SCD) as well as a trio of next-gen allogeneic CAR-T therapies for both liquid and solid tumors that could have superior safety and convenience benefits over the current generation of autologous CAR-Ts." BAML sees \$2B peak sales by 2030. Crispr announced more encouraging data from the Phase 1/2 CTX001 Sickle Cell and Beta-Thalassemia trials at the June EHA mtg. Another update is expected in 2H20, most likely at the Dec 2020 ASH mtg. Phase 1/2 trials of CTX120 in Multiple Myeloma and CTX130 in r/r Renal Cell Carcinoma and T-Cell cancers are now underway, although initial results are not likely until 2021. Hedge Fund ownership fell 3% in Q2 filings, ARK Investment with a large \$700M position is notable.

Hawk Vision:



Hawk's Perspective: CRSP an intriguing name in a hot space that could attract M&A interest, alert in at \$97 level currently.

Confidence Ranking: \$\$