



FEATURED OPTIONS RADAR REPORT



Hasbro Call Buys Position for Strong Start to 2021

Ticker/Price: HAS (\$91.75)

Analysis:

Hasbro (HAS) buyers today of 800 April \$92.50 calls for \$6.70 to \$6.80 and name that recently had buyers of 1,450 April \$95 calls around \$4.75. HAS has over 3,000 January \$80 short puts in open interest from 12/9 while longer-dated January 2023 \$87.50 calls with buyers on 10/12. Shares have traded in a narrow channel higher since May and rebounding off the 50-day this week with both MACD and RSI nearing an inflection and ready to run. HAS has room to \$95 and then \$100-\$105 from a big volume node from December 2019. The \$12.3B company trades 20.2X earnings, 2.38X sales, and 10.9X cash with a 3% yield and high-single digit growth. HAS is coming off a strong quarter with strength in franchise brands and gaming while e-commerce continues to surge, up 50% worldwide Y/Y. HAS sees a huge long-term opportunity as they leverage their vast IP library and emerging channels like movies, television, and digital gaming to in turn propel toy sales. HAS expects to launch new feature films and TV shows next year across some core brands like My Little Pony and D&D. Analysts have an average target for shares of \$92.50 and a Street High \$120 from Citi. The firm noted on 12/9 that they think HAS is further along in its transition from a purely toy company and into a media company than others. The firm also expects a strong holiday season driven by more at-home play and activities-driven toys. Short interest is 3.2% and near its lowest level in 10-years. Hedge fund ownership rose 30% in Q3,

Hawk Vision:



Hawk's Perspective: HAS looks good versus that recent low that held the 55-day MA, and always screens as a quality name and calls are fairly cheap to participate in a push to \$100.

Confidence Ranking: \$\$