

SPOTLIGHT OPTION TRADE



A Defensive Healthcare with Bullish Flows and Attractive Upside Potential into CF Data

TRADE SNAPSHOT

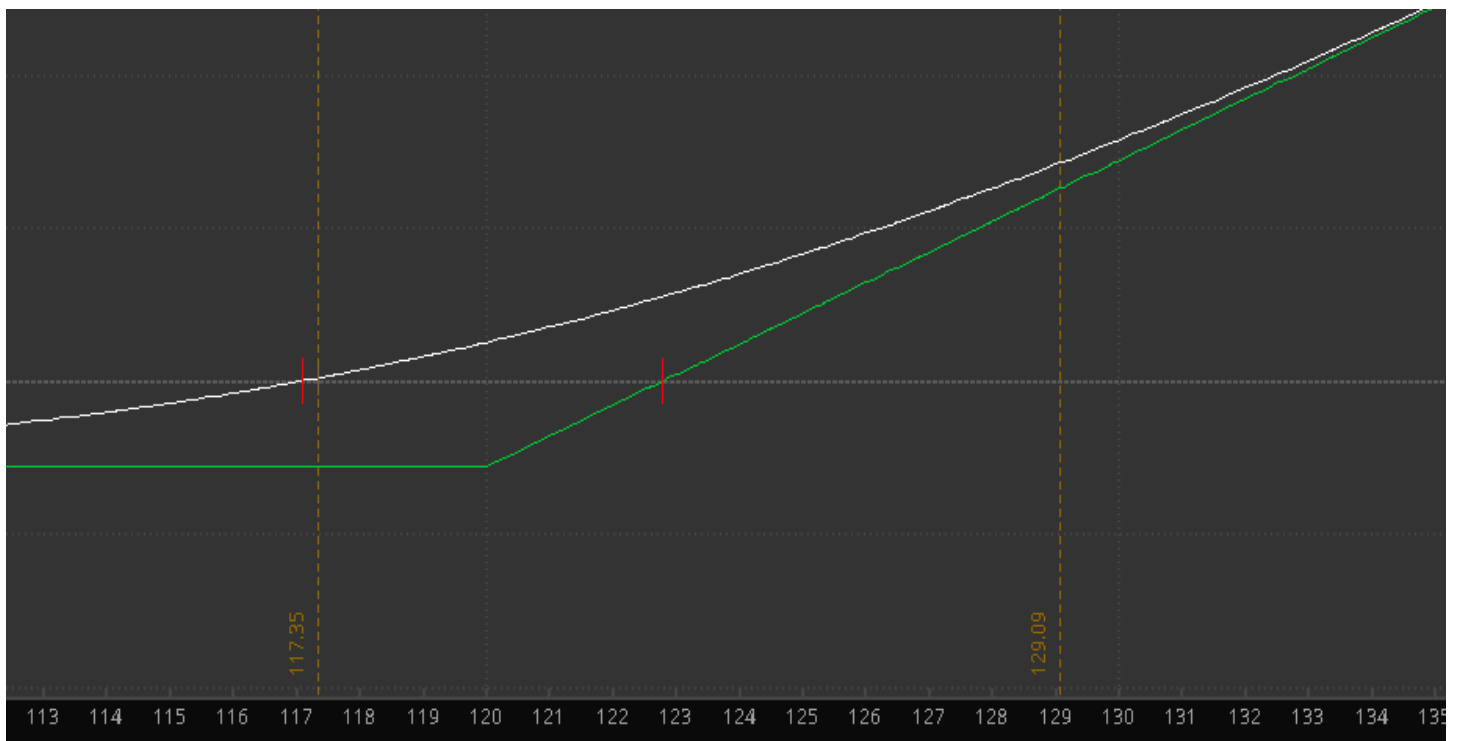
TICKER	ABBV
SECURITY	AbbVie
SECTOR	Healthcare - Pharma
CURRENT PRICE	\$117.35
LONG/SHORT	Long
TARGET	\$125
STOP	\$113
TIMEFRAME	2 Months

Trading Strategy: Long the ABBV January \$120 Calls at \$2.80 or Better

Net Debit/Credit: Debit \$2.80

Profitability Zone: ABBV Above \$122.80 on January OpEx

Options Volatility / Trade Simulator View:





Technical Analysis: ABBV shares are flagging tightly on the daily and have fought back strong from a nasty candle in August that retested its original April flag breakout. ABBV has regained upward momentum in the weekly channel with room to clear highs and initial Fibonacci extension targets of \$125.25 and \$127.70.



Fundamental Analysis: ABBV has a \$207B market cap and trades 8.45X Earnings, 3.75X Sales and 16.4X FCF with a 4.43% dividend yield. ABBV has a broad-based pipeline and noted in July that with the recent approval of Aducanumab they see a major opportunity for their own beta amyloid candidate in Alzheimer's with potentially a better safety profile than Biogen's drug. ABBV has a range of option for Alzheimer's including AL002, a monoclonal antibody. ABBV has also been integrating Allergan while seeing strong growth across its portfolio in immunology, oncology, and neuro as it diversifies away from Humira. Humira accounted for about 38% of total revenue in 3Q21, down from 59% in 4Q19. AbbVie has developed a set of next-generation products in the immunology space to complement Humira, which will likely face biosimilar competition in the U.S. in 2023. ABBV is expected to show Phase 2 dual combo study data for CF POC by the end of the year and triple combo data in Q122. Analysts have an average target of \$129.50 with short interest low at 0.8% of the float. Piper raised its target to \$129 in October as an attractive large-cap with impressive upside from its growing franchises.

Options Activity:

Date	Description	Volume	Open.Int	Price	Delt	Impl Vo	Prob.ITM	Premium Paid	Symbol	Current Price	Current OI
11/9/2021	ABBV 100 19 JAN 24 105 PUT	200	23	\$14.15	-0.39	25.56%	58.23%	\$360,000	.ABBV240119P105	\$14.15	223
11/8/2021	ABBV 100 18 FEB 22 120 CALL	4,767	1,907	\$3.57	0.38	23.77%	33.03%	\$1,716,120	.ABBV220218C120	\$3.40	5819
11/5/2021	ABBV 100 20 MAY 22 90 PUT	1,500	257	\$1.35	-0.083	25.43%	11.78%	\$202,500	.ABBV220520P90	\$1.32	1743
11/2/2021	ABBV 100 18 FEB 22 125 CALL	3,233	2,981	\$2.30	0.27	22.93%	23.49%	\$775,920	.ABBV220218C125	\$1.86	4981
11/2/2021	ABBV 100 17 DEC 21 125 CALL	10,066	971	\$0.81	0.18	21.71%	15.65%	\$825,412	.ABBV2111217C125	\$0.34	14091
11/1/2021	ABBV 100 20 MAY 22 105 PUT	1,010	403	\$4.63	-0.32	23.73%	39.00%	\$467,630	.ABBV220520P105	\$3.70	1934
10/29/2021	ABBV 100 19 NOV 21 114 CALL	6,063	809	\$2.41	0.49	23.94%	46.41%	\$1,503,624	.ABBV211119C114	\$2.91	5241
10/29/2021	ABBV 100 17 DEC 21 115 PUT	10,419	105	\$3.75	-0.526	19.51%	55.72%	\$3,907,125	.ABBV211217P115	\$1.98	12884
10/29/2021	ABBV 100 17 DEC 21 115 CALL	10,799	1,237	\$3.38	0.484	23.19%	44.69%	\$3,650,062	.ABBV211217C115	\$3.57	13687
10/29/2021	ABBV 100 17 DEC 21 110 PUT	2,161	1,343	\$1.83	-0.304	21.39%	33.36%	\$395,463	.ABBV211217P110	\$0.71	4750
10/28/2021	ABBV 100 19 JAN 24 155 CALL	2,000	20	\$2.15	0.13	23.66%	6.96%	\$630,000	.ABBV240119C155	\$3.80	2029
10/28/2021	ABBV 100 19 JAN 24 140 CALL	2,000	26	\$3.90	0.21	24.28%	12.12%	\$980,000	.ABBV240119C140	\$5.50	2035
10/25/2021	ABBV 100 21 JAN 22 115 CALL	6,745	9,027	\$2.06	0.29	22.75%	24.98%	\$1,409,705	.ABBV220121C115	\$4.70	15539
10/21/2021	ABBV 100 19 JAN 24 85 PUT	1,000	83	\$9.20	-0.27	26.38%	44.46%	\$970,000	.ABBV240119P85	\$6.50	1104
10/7/2021	ABBV 100 17 JUN 22 97.5 PUT	1,003	766	\$4.80	-0.282	26.26%	36.99%	\$481,440	.ABBV220617P97.5	\$2.63	3644
10/5/2021	ABBV 100 20 JAN 23 87.5 PUT	635	276	\$6.65	-0.244	30.54%	38.34%	\$422,275	.ABBV230120P87.5	\$3.90	844
10/5/2021	ABBV 100 17 JUN 22 80 PUT	1,001	625	\$1.95	-0.116	32.28%	18.21%	\$195,195	.ABBV220617P80	\$1.10	1673
10/4/2021	ABBV 100 17 JUN 22 97.5 PUT	461	366	\$6.00	-0.314	26.33%	40.79%	\$276,600	.ABBV220617P97.5	\$2.63	3644
9/30/2021	ABBV 100 20 MAY 22 100 CALL	402	0	\$11.95	0.652	26.05%	54.54%	\$480,390	.ABBV220520C100	\$18.20	218
9/30/2021	ABBV 100 19 JAN 24 80 PUT	670	2	\$8.35	-0.232	29.11%	41.87%	\$559,450	.ABBV240119P80	\$5.40	687
9/27/2021	ABBV 100 20 JAN 23 95 PUT	1,258	1,027	\$9.84	-0.34	28.38%	48.78%	\$1,258,000	.ABBV230120P95	\$5.60	1700
9/23/2021	ABBV 100 18 FEB 22 125 CALL	1,890	505	\$0.86	0.12	21.87%	9.77%	\$162,540	.ABBV220218C125	\$1.86	4981
9/22/2021	ABBV 100 20 JAN 23 130 CALL	1,408	682	\$3.40	0.22	25.61%	14.77%	\$513,920	.ABBV230120C130	\$5.48	2656
9/13/2021	ABBV 100 18 FEB 22 115 CALL	2,314	890	\$3.15	0.32	23.68%	26.35%	\$752,050	.ABBV220218C115	\$5.67	3309
9/7/2021	ABBV 100 19 NOV 21 120 CALL	7,067	4,210	\$0.84	0.16	22.16%	13.35%	\$621,896	.ABBV211119C120	\$0.04	13728
8/24/2021	ABBV 100 20 JAN 23 125 PUT	501	59	\$20.10	-0.565	23.09%	70.14%	\$1,007,010	.ABBV230120P125	\$20.60	1957
8/23/2021	ABBV 100 19 NOV 21 130 CALL	4,187	2,950	\$1.20	0.19	20.60%	16.49%	\$519,188	.ABBV211119C130	\$0.02	6641
8/5/2021	ABBV 100 19 NOV 21 125 CALL	11,083	2,996	\$1.60	0.22	21.11%	18.61%	\$1,773,280	.ABBV211119C125	\$0.02	25058

Potential Catalysts: No Events Scheduled

Disclaimer:

Not Investment Advice or Recommendation

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