

## SPOTLIGHT OPTION TRADE



**Travel Beneficiary Pausing after Key Trend and Base Breakout, See It Resuming Higher**

### TRADE SNAPSHOT

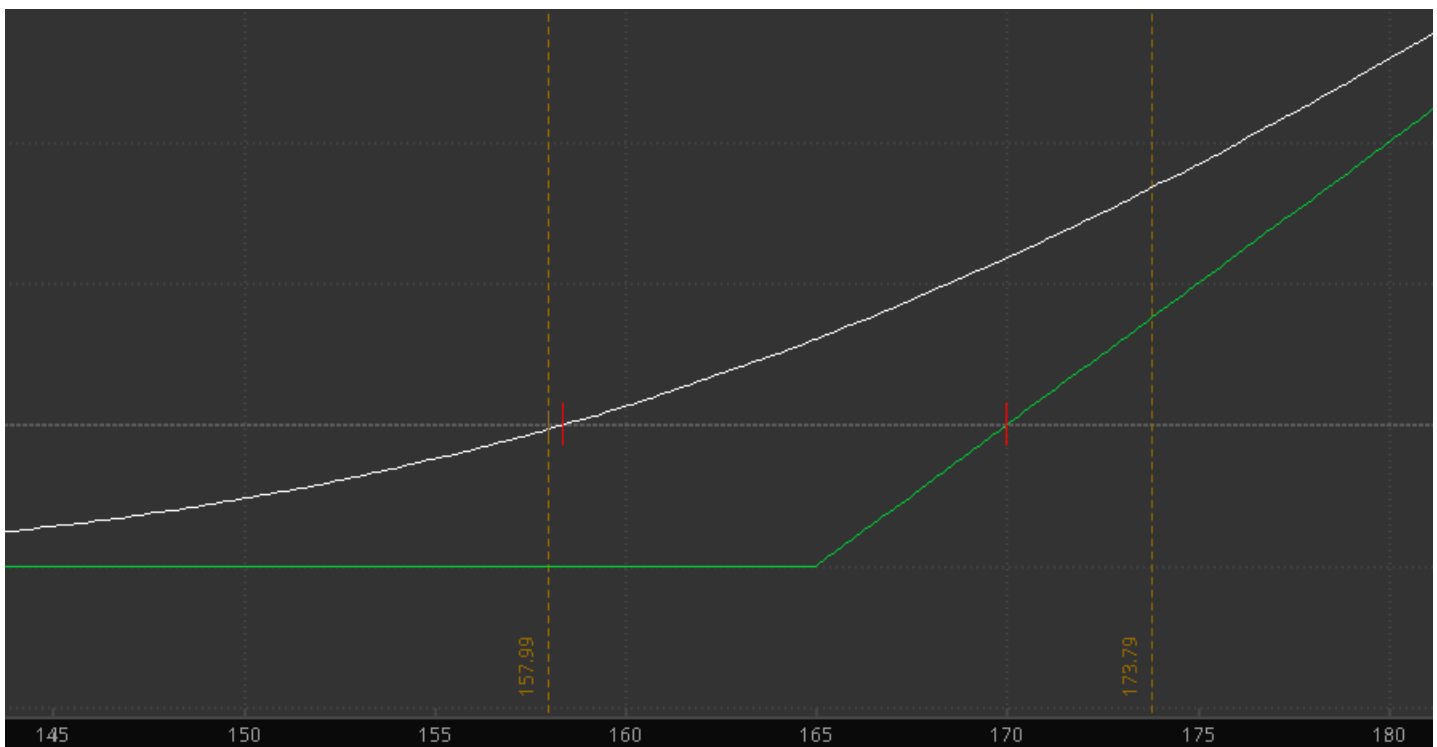
|               |   |
|---------------|---|
| TICKER        | ABNB                                    |
| SECURITY      | Airbnb                                  |
| SECTOR        | Consumer Discretionary – Leisure Travel |
| CURRENT PRICE | \$158                                   |
| LONG/SHORT    | Long                                    |
| TARGET        | \$175                                   |
| STOP          | \$149                                   |
| TIMEFRAME     | 1.5 Months                              |

**Trading Strategy:** Long the ABNB October \$165 Calls at \$5 or Better

**Net Debit/Credit:** Debit of \$5

**Profitability Zone:** ABNB Above \$170 on October OpEx

**Options Volatility / Trade Simulator View:**





**Technical Analysis:** ABNB shares broke out of a base that measures to an upside target of \$175 which aligns with a 50% retracement move, a name also working out of a post-IPO downtrend and shares closed last week right on VWAP since its IPO while also right near VWAP off the highs. RSI on the weekly is breaking out above 50 as well.



**Fundamental Analysis:** The \$98.8B leader in alternative accommodations trades 16.5X EV/Sales with revenues seen rising 68% in 2021 and 25% in 2022 while also returning to profitability this year. Alternative accommodations and private rentals are still just a tiny fraction of a massive lodging industry and with my view that leisure travel rebounds more strongly than business travel, it puts ABNB in prime position to capture more market share. ABNB has not even tapped into a massive potential market of Experiences and it is also quietly expanding into Hotels with its deal for HotelTonight. Analysts have an average target of \$175 with short interest at 6.3% of the float falling 55% Q/Q. Wells Fargo raised its target to \$210 on 8/13 citing continued momentum for long-term stays and nonurban markets. ABNB is seen best positioned for the new work flexibility environment to serve demand trends. Hedge Fund ownership jumped 17% last quarter.

### Options Activity:

| Date      | Description                          | Volum  | Open.In | Price   | Delt   | Impl Vo | Prob.ITV | Premium Paid | Symbol          | Current Price | Current OI | Price Change |
|-----------|--------------------------------------|--------|---------|---------|--------|---------|----------|--------------|-----------------|---------------|------------|--------------|
| 8/24/2021 | ABNB 100 21 JAN 22 175 CALL          | 1,341  | 1,994   | \$9.91  | 0.39   | 42.34%  | 28.82%   | \$1,347,705  | .ABNB220121C175 | \$10.05       | 2991       | 1.41%        |
| 8/24/2021 | ABNB 100 17 SEP 21 165 CALL          | 22,350 | 1,979   | \$1.01  | 0.15   | 33.53%  | 13.49%   | \$2,257,350  | .ABNB210917C165 | \$1.50        | 25913      | 48.51%       |
| 8/24/2021 | ABNB 100 (Weeklys) 14 APR 22 165 PUT | 678    | 2       | \$25.00 | -0.47  | 42.24%  | 60.47%   | \$1,695,000  | .ABNB220414P165 | \$25.20       | 475        | 0.80%        |
| 8/24/2021 | ABNB 100 (Weeklys) 14 APR 22 120 PUT | 1,011  | 7       | \$5.57  | -0.16  | 43.84%  | 25.58%   | \$561,105    | .ABNB220414P120 | \$5.54        | 1033       | -0.54%       |
| 8/20/2021 | ABNB 100 17 JUN 22 115 PUT           | 1,000  | 991     | \$9.20  | -0.23  | 44.13%  | 36.47%   | \$945,000    | .ABNB220617P115 | \$6.85        | 3358       | -25.54%      |
| 8/18/2021 | ABNB 100 17 SEP 21 150 PUT           | 4,135  | 1,703   | \$7.40  | -0.52  | 38.21%  | 56.16%   | \$3,101,250  | .ABNB210917P150 | \$1.19        | 7744       | -83.92%      |
| 8/12/2021 | ABNB 100 20 JAN 23 140 PUT           | 2,562  | 3,799   | \$26.85 | -0.34  | 46.56%  | 55.80%   | \$6,917,400  | .ABNB230120P140 | \$23.00       | 5044       | -14.34%      |
| 8/6/2021  | ABNB 100 17 JUN 22 190 CALL          | 518    | 220     | \$11.90 | 0.361  | 45.23%  | 21.88%   | \$616,420    | .ABNB220617C190 | \$13.40       | 1427       | 12.61%       |
| 8/5/2021  | ABNB 100 20 JAN 23 230 CALL          | 500    | 167     | \$12.10 | 0.31   | 45.51%  | 14.61%   | \$670,000    | .ABNB230120C230 | \$13.44       | 705        | 11.07%       |
| 8/2/2021  | ABNB 100 17 SEP 21 165 CALL          | 1,009  | 286     | \$3.27  | 0.25   | 45.97%  | 19.82%   | \$332,970    | .ABNB210917C165 | \$1.50        | 25913      | -54.13%      |
| 8/2/2021  | ABNB 100 15 OCT 21 145 PUT           | 1,359  | 1,929   | \$11.23 | -0.45  | 43.91%  | 53.40%   | \$1,542,465  | .ABNB211015P145 | \$2.86        | 4411       | -74.53%      |
| 7/30/2021 | ABNB 100 20 JAN 23 80 PUT            | 933    | 473     | \$5.57  | -0.101 | 49.59%  | 24.99%   | \$519,681    | .ABNB230120P80  | \$3.30        | 1304       | -40.75%      |
| 7/30/2021 | ABNB 100 20 JAN 23 170 PUT           | 5,466  | 2,170   | \$49.35 | -0.494 | 46.89%  | 71.76%   | \$26,974,710 | .ABNB230120P170 | \$40.25       | 5273       | -18.44%      |
| 7/29/2021 | ABNB 100 17 SEP 21 145 PUT           | 3,018  | 185     | \$10.00 | -0.49  | 44.41%  | 55.38%   | \$3,063,270  | .ABNB210917P145 | \$0.56        | 4862       | -94.40%      |
| 7/29/2021 | ABNB 100 17 SEP 21 145 CALL          | 3,310  | 299     | \$8.84  | 0.51   | 44.79%  | 44.61%   | \$2,979,000  | .ABNB210917C145 | \$13.45       | 3387       | 52.15%       |
| 7/27/2021 | ABNB 100 17 JUN 22 120 CALL          | 214    | 158     | \$35.00 | 0.72   | 46.73%  | 56.11%   | \$749,000    | .ABNB220617C120 | \$43.82       | 222        | 25.20%       |
| 7/23/2021 | ABNB 100 17 SEP 21 155 CALL          | 697    | 208     | \$4.10  | 0.29   | 45.15%  | 23.14%   | \$289,255    | .ABNB210917C155 | \$5.57        | 1924       | 35.85%       |
| 7/22/2021 | ABNB 100 21 JAN 22 95 PUT            | 1,000  | 1,026   | \$2.25  | -0.09  | 45.51%  | 15.53%   | \$222,000    | .ABNB220121P95  | \$0.86        | 1541       | -61.78%      |
| 7/22/2021 | ABNB 100 15 OCT 21 140 CALL          | 1,087  | 2,189   | \$11.20 | 0.52   | 44.44%  | 43.96%   | \$1,233,745  | .ABNB211015C140 | \$19.87       | 2296       | 77.41%       |
| 7/20/2021 | ABNB 100 17 SEP 21 150 CALL          | 444    | 203     | \$4.39  | 0.31   | 44.74%  | 24.79%   | \$197,580    | .ABNB210917C150 | \$9.20        | 6576       | 109.57%      |
| 7/20/2021 | ABNB 100 17 SEP 21 140 PUT           | 2,442  | 1,312   | \$11.62 | -0.52  | 44.80%  | 58.67%   | \$2,869,350  | .ABNB210917P140 | \$0.30        | 6301       | -97.42%      |
| 7/20/2021 | ABNB 100 17 SEP 21 140 CALL          | 2,432  | 1,596   | \$8.38  | 0.49   | 45.21%  | 41.34%   | \$2,091,520  | .ABNB210917C140 | \$18.43       | 4476       | 119.93%      |
| 7/19/2021 | ABNB 100 15 OCT 21 110 PUT           | 1,385  | 753     | \$3.37  | -0.17  | 47.73%  | 24.07%   | \$463,975    | .ABNB211015P110 | \$0.16        | 1999       | -95.25%      |
| 7/16/2021 | ABNB 100 21 JAN 22 110 CALL          | 460    | 192     | \$30.95 | 0.78   | 45.94%  | 67.00%   | \$1,435,200  | .ABNB220121C110 | \$50.07       | 582        | 61.78%       |
| 7/16/2021 | ABNB 100 17 SEP 21 135 CALL          | 1,143  | 14      | \$10.40 | 0.54   | 46.24%  | 46.21%   | \$1,194,435  | .ABNB210917C135 | \$23.05       | 462        | 121.63%      |
| 7/13/2021 | ABNB 100 15 OCT 21 210 PUT           | 1,606  | 59      | \$65.85 | -0.86  | 52.03%  | 93.80%   | \$10,655,810 | .ABNB211015P210 | \$51.83       | 1651       | -21.29%      |
| 6/25/2021 | ABNB 100 21 JAN 22 155 CALL          | 956    | 842     | \$18.40 | 0.528  | 45.51%  | 39.15%   | \$1,759,040  | .ABNB220121C155 | \$17.88       | 1726       | -2.83%       |
| 6/25/2021 | ABNB 100 20 JAN 23 170 PUT           | 2,638  | 1,292   | \$48.05 | -0.459 | 47.68%  | 69.59%   | \$12,675,590 | .ABNB230120P170 | \$40.25       | 5273       | -16.23%      |
| 6/21/2021 | ABNB 100 21 JAN 22 160 CALL          | 1,296  | 972     | \$17.40 | 0.5    | 46.35%  | 35.96%   | \$2,261,520  | .ABNB220121C160 | \$15.50       | 2796       | -10.92%      |
| 6/21/2021 | ABNB 100 15 OCT 21 125 PUT           | 1,853  | 3,365   | \$6.10  | -0.22  | 47.29%  | 31.12%   | \$1,121,065  | .ABNB211015P125 | \$0.47        | 7304       | -92.30%      |

**Potential Catalysts:** No Specific Events Scheduled

## **Disclaimer:**

### **Not Investment Advice or Recommendation**

*Any descriptions "to buy", "to sell", "long", "short" or any other trade related terminology should not be seen as a recommendation. The Author may or may not take positions in any of the names mentioned, and is not obligated to disclose positions, nor position sizes.*

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