

## SPOTLIGHT OPTION TRADE



### Attractive Calls in Medical Device Leader as Group Sets Up Well for Earnings

#### TRADE SNAPSHOT

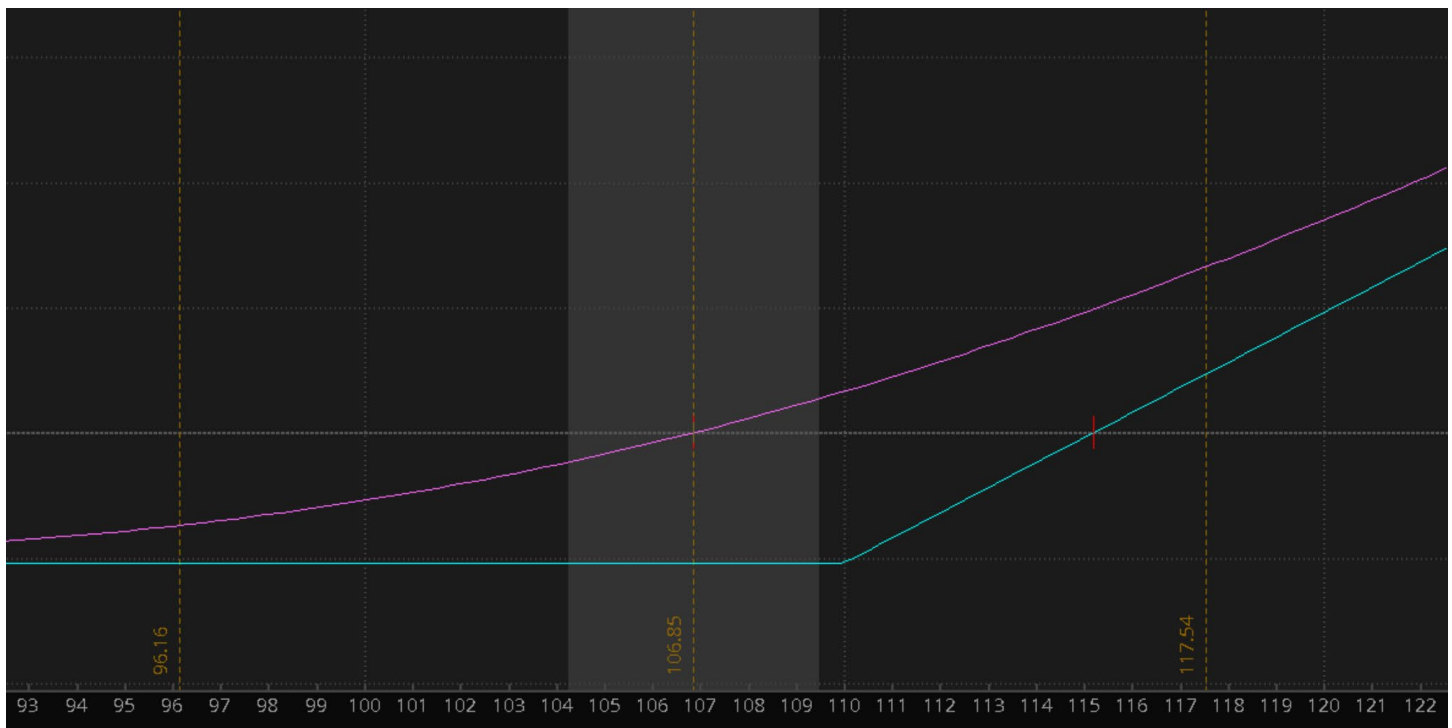
TICKER	ABT
SECURITY	Abbott Labs
SECTOR	Healthcare – Medical Devices
CURRENT PRICE	\$107
LONG/SHORT	Long
TARGET	\$116
STOP	\$101
TIMEFRAME	5 Months

**Trading Strategy:** Long ABT January \$110 Calls at \$5.20 or Better

**Net Debit/Credit:** Debit \$5.20

**Profitability Zone:** ABT Above \$115.20 on January OpEx

**Options Volatility / Trade Simulator View:**





**Fundamental Analysis:** Abbott Laboratories is engaged in the discovery, development, manufacture, and sale of a diversified line of health care products. The Company operates through four segments: Established Pharmaceutical Products, Diagnostic Products, Nutritional Products, and Medical Devices. ABT has a market cap of \$187B and trades 23X Earnings, 19X EBITDA and 4.5X Sales with a 4.7% FCF yield. Forecasts see revenues accelerating the next few quarters along with profits. ABT should see 10% organic growth this quarter ex-Covid testing led by Libre. The >\$7B cardiac ablation market is on the cusp of a technological shift towards a new technology (pulsed field ablation). The pacemaker market is on the cusp of an accelerated shift to leadless technologies (supported by strong Aveir data at HRS and expansion into dual chamber pacing). ABT also has a strong balance sheet and opportunities for capital deployment. Analysts have an average target of \$124 with short interest under 1% of the float. Evercore added to Tactical Outperform this week and has a \$120 target.

### Options Activity:

Date	Ticker	Contract	Volume	Price	OI	Delta	IV	Premium	Last	Current OI ▾	△ Price %
06-29-2023	ABT	ABT 100 21 JUL 23 108 CALL	4,020	\$1.86	699	0.47	18.56%	\$715,560	\$1.14	4,769	▼ 38.71%
11-01-2022	ABT	ABT 100 19 JAN 24 110 CALL	892	\$8.75	768	0.44	29.35%	\$798,340	\$5.15	4,477	▼ 41.14%
02-22-2023	ABT	ABT 100 19 JAN 24 110 CALL	1,965	\$7.32	1,634	0.47	23.42%	\$1,483,575	\$5.15	4,477	▼ 29.64%
12-01-2022	ABT	ABT 100 19 JAN 24 105 PUT	1,500	\$8.6	998	-0.38	24.53%	\$1,312,500	\$4.53	4,344	▼ 47.38%
06-29-2023	ABT	ABT 100 21 JUL 23 108 PUT	4,001	\$2.39	146	-0.52	21.66%	\$1,016,254	\$2.62	4,269	▲ 9.62%
06-08-2023	ABT	ABT 100 17 NOV 23 90 PUT	2,637	\$1.89	1,029	-0.19	24.22%	\$511,578	\$0.77	3,226	▲ 58.99%
04-12-2023	ABT	ABT 100 19 JAN 24 90 PUT	1,000	\$3.5	1,522	-0.22	27.42%	\$360,000	\$1.31	3,003	▲ 62.71%
09-19-2022	ABT	ABT 100 19 JAN 24 80 PUT	1,000	\$3.95	40	-0.18	29.99%	\$420,000	\$0.58	2,517	▲ 85.44%
04-19-2023	ABT	ABT 100 17 NOV 23 100 PUT	600	\$2.83	249	-0.21	23.51%	\$155,400	\$2.25	2,167	▼ 20.67%
04-20-2023	ABT	ABT 100 17 NOV 23 100 PUT	1,116	\$2.85	760	-0.22	23.42%	\$323,640	\$2.25	2,167	▲ 21.23%
06-01-2023	ABT	ABT 100 17 NOV 23 105 CALL	1,305	\$5.67	409	0.51	21.83%	\$756,900	\$6.5	1,582	▲ 14.64%
03-09-2023	ABT	ABT 100 21 JUN 24 80 PUT	800	\$3.1	10	-0.17	27.59%	\$276,000	\$1.32	1,080	▲ 57.42%

**Potential Catalysts:** Earnings 7/20; Capital Deployment News

## **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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