



FEATURED OPTIONS RADAR REPORT



Large Call Buy in Biohaven as Migraine Drug Gains Adoption

Ticker/Price: BHVN (\$97.66)

Analysis:

Biohaven Pharma (BHVN) on 6/9 with a large buy of 2450 October \$100 calls to open at \$11.50 for \$2.6M+, a name with 3000 July \$75 synthetic long positions in open interest but not much else of note. BHVN has shown relative strength with shares +11% YTD in a weak Biotech group and a chart highlight from 5/26 that has run up nicely with RSI on the weekly working out of a downtrend and MACD crossing bullish. BHVN is now quickly approaching its 2020 highs and the first Fibonacci extension target of its correction would be up near \$117. BHVN recently received FDA approval of NURTEC ODT as the first and only migraine medication for both acute and preventive treatment. BHVN is a biopharmaceutical company with a portfolio of innovative product candidates to improve the lives of patients with debilitating neurological and neuropsychiatric diseases, including some rare disorders. BHVN estimates 1 billion patients worldwide with migraines and is looking to expand its geographic footprint, expecting an MAA approval next year for rimegepant in the EU. The company is also in early stages of exploring potentially bringing a CGRP treatments to higher risk indications such as asthma and psoriasis. There are multiple topline readouts expected in the near term beyond migraine; SCA is advancing with topline data expected by the end of this year or early next year. BHVN will also complete enrollment from its ALS trial in 4Q21 with the MSA topline data expected in 3Q21. Investors remain currently focused on Nurtec prescription growth numbers which should see better numbers as offices reopen. BHVN currently has a market cap of \$6.2B and is trading 11.5X FY22 estimated EV/Sales with revenues seen surging 291% in 2021 and 129% in 2022 with its commercial launches. Analysts have an average target of \$100 with a Street high of \$140, short interest at 10% of the float. Cantor Fitzgerald raised its target to \$140 on 6/1 expecting a solid NURTEC-ODT path forward. Mizuho sees the recent FDA decision removing a key overhang for shares. Piper was out positive in May on BHVN's migraine drug potential.

Hawk Vision:



Hawk's Perspective: BHVN looks great into commercial growth while having a fairly deep pipeline, shares have run hard from the technical trigger, but these calls give plenty of time to be patient, and look for a retracement base.

Confidence Ranking: \$\$