



## FEATURED OPTIONS RADAR REPORT



### Bulls Position in Booking Holdings As Summer Travel Season Kicks Off

Ticker/Price: BKNG (\$2244)

#### Analysis:

**Booking Holdings (BKNG)** with 400 September \$2,250 calls bought \$161 to \$174 today, over \$6.5M. Today's flow follows sellers in the January \$2,010 puts recently and buyers in the June \$2,450 calls, both around \$2M. BKNG has some size in the October short puts as well while the July \$2150 calls remain in OI over 2,750X from March, an \$85M position that is down around 50%. Shares are putting in a reversal day today off of the \$2,175 level, a key area of support going back to February. A move higher above the 8- EMA has a small volume gap back to \$2,350 and the 21-/50-MA. The \$88B company trades 23.88X earnings, 15X sales and 7X cash. BKNG is benefiting from pent-up demand for travel and seeing strong bookings versus 2019, especially in areas like China and Europe. BKNG sees a lot of opportunity this Summer for their hotel business to rebound strong as more people will shift away from alternative accommodations as vaccines and local restrictions ease. Longer-term, the company continues to build out their Connected Trip vision which expands their platform from not only travel and accommodation but also into experiences. Analysts have an average target for shares of \$2,422 with a Street High \$2,950. Deutsche Bank raising estimates on 5/6 after Q1 as Europe trends are starting to improve, cancellation rates are improving sequentially, and the company is seeing an increase in direct mix along with strong mobile app adoption. Short interest is 1.8%, lowest in three years. Hedge fund ownership fell 4%. Alkeon Capital adding call options.

#### Hawk Vision:



**Hawk's Perspective:** BKNG looks like it may have further room back to that 200-MA at \$2,065 which would be a solid risk/reward entry but overall have always preferred **EXPE** with their HomeAway/VRBO angles and relative strength

Confidence Ranking: \$\$