

SPOTLIGHT OPTION TRADE



Booking Nears Multi-Month Base Breakout, Attractive Valuation

TRADE SNAPSHOT

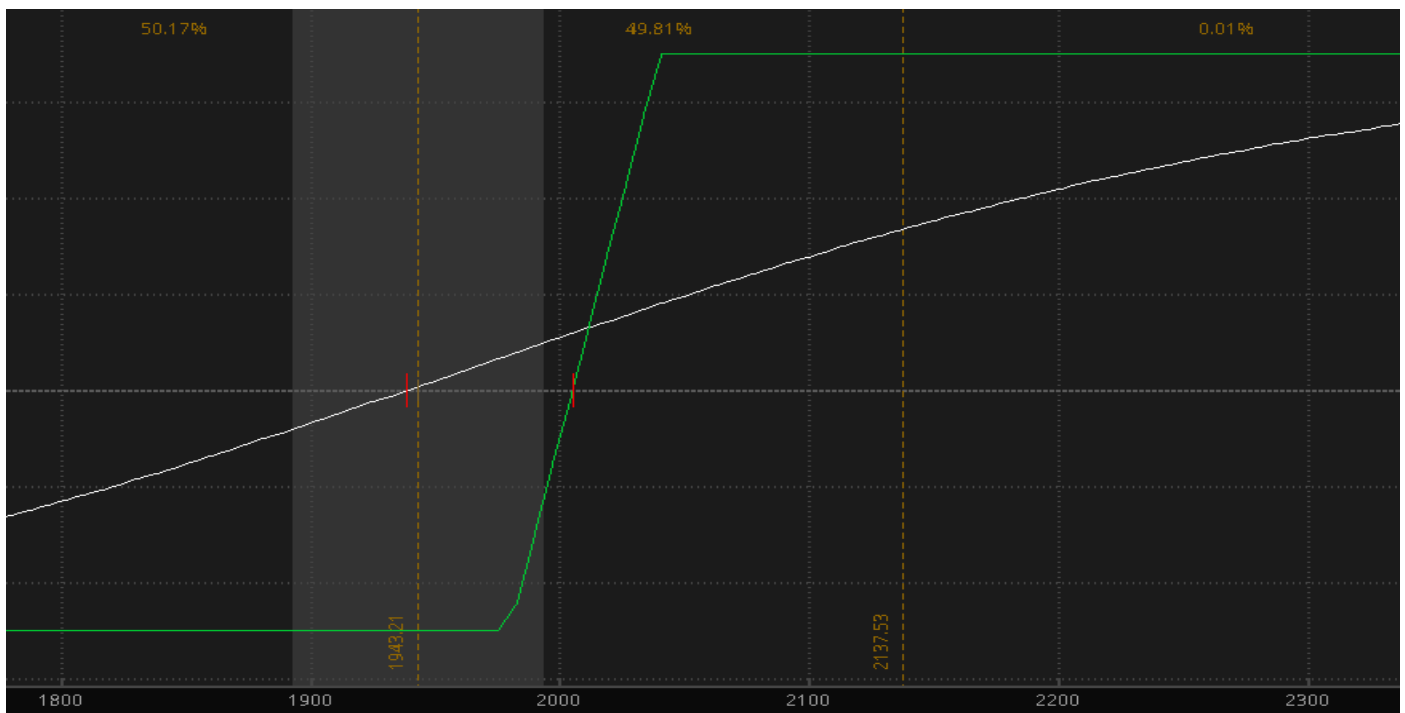
TICKER	BKNG
SECURITY	Booking Holdings
SECTOR	Services – Online Travel
CURRENT PRICE	\$1943
LONG/SHORT	Long
TARGET	\$2075
STOP	\$1850
TIMEFRAME	3 Months

Trading Strategy: Long the **BKNG** November \$1980/\$2040 Call Spreads at \$25 Debit

Net Debit/Credit: Debit of \$25

Profitability Zone: BKNG Shares Above \$2005 on November OpEx

Options Volatility / Trade Simulator View:





Technical Analysis: BKNG shares are working out of a multi-month weekly base and on the monthly a large falling bull wedge with monthly MACD nearing a bull crossover. The recent recovery stalled right at a 61.8% retracement level so \$1975 key to breakout.



Fundamental Analysis: The \$85B OTA leader trades just 16.85X Earnings, 18.6X FCF and 15X EV/EBITDA and seems to have been forgotten among the Tech leaders. BKNG continues to show double digit EPS growth and though 2019 a transition year expects reaccelerating EPS and Revenue growth in 2020. It is coming off a strong quarter with 16.4% booking growth and 21% growth in room nights. Analysts have an average target of \$2060 and short interest low at 2.8% of the float. Needham has a \$2200 target citing cheap valuation with low expectations and under-ownership. Cowen raised its target to \$2300 positive on the ongoing ad leverage on mix shift to direct traffic. Deutsche Bank has a \$2275 target seeing investments in payments and brand normalizing leading to faster EBITDA growth. Hedge Fund ownership was down moderately in Q1 filings, Edgewood and Lone Pine notable top owners.

Options Activity:

Date	Description	Volume	Open.Int	Price	Delta	Impl Vol	Prob.ITM	Premium Paic	Symbol
8/13/2019	BKNG 100 15 NOV 19 1950 CALL	248	16	\$114.00	0.55	27.99%	49.37%	\$3,057,840	.BKNG191115C1950
7/25/2019	BKNG 100 18 OCT 19 2050 CALL	183	18	\$38.23	0.31	22.05%	27.09%	\$699,609	.BKNG191018C2050
7/22/2019	BKNG 100 16 AUG 19 1907.5 PUT	101	0	\$61.40	-0.5	29.00%	52.76%	\$620,140	.BKNG190816P1907.5
7/15/2019	BKNG 100 15 JAN 21 1540 PUT	100	44	\$97.08	-0.21	30.08%	32.78%	\$1,025,000	.BKNG210115P1540
7/9/2019	BKNG 100 (Weeklys) 9 AUG 19 1905 CALL	1,418	460	\$53.65	0.44	29.50%	40.92%	\$7,614,660	.BKNG190809C1905
7/9/2019	BKNG 100 (Weeklys) 9 AUG 19 1915 CALL	1,416	458	\$49.20	0.42	29.18%	38.53%	\$6,966,720	.BKNG190809C1915
7/1/2019	BKNG 100 (Weeklys) 9 AUG 19 1905 CALL	198	0	\$66.87	0.5	28.98%	45.83%	\$1,324,026	.BKNG190809C1905
7/1/2019	BKNG 100 (Weeklys) 9 AUG 19 1915 CALL	193	0	\$61.92	0.47	28.42%	43.63%	\$1,195,056	.BKNG190809C1915
5/23/2019	BKNG 100 16 AUG 19 1850 CALL	137	4	\$45.00	0.33	26.04%	28.38%	\$616,500	.BKNG190816C1850
5/22/2019	BKNG 100 16 AUG 19 1750 PUT	101	0	\$83.75	-0.45	26.43%	49.74%	\$845,875	.BKNG190816P1750
5/20/2019	BKNG 100 15 JAN 21 2200 CALL	100	78	\$107.90	0.34	25.59%	22.82%	\$1,158,000	.BKNG210115C2200
5/13/2019	BKNG 100 15 JAN 21 2400 CALL	161	32	\$84.00	0.27	25.25%	17.13%	\$1,376,550	.BKNG210115C2400
3/28/2019	BKNG 100 17 JAN 20 1750 CALL	100	55	\$185.90	0.57	26.46%	47.31%	\$1,859,000	.BKNG200117C1750
3/22/2019	BKNG 100 18 OCT 19 2070 CALL	120	0	\$32.20	0.2	22.83%	15.46%	\$386,400	.BKNG191018C2070

Potential Catalysts: Deutsche Bank Tech Conference 9-10-19; Earnings Early November

Disclaimer:**Not Investment Advice or Recommendation**

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