



## FEATURED OPTIONS RADAR REPORT



### Call Buyers Step into Leading Med-Tech Stock at Longer-Term Support

**Ticker/Price:** BSX (\$39)

#### Analysis:

**Boston Scientific (BSX)** the November \$43 calls being bought 3,000X for \$2 to \$2.05 to open today and follows bullish flow recently including buyers of 2,650 June \$44 calls and 1600 June \$43 calls. The June \$37 puts also sold to open 2000X while January still has a lot of short put open interest at the \$47 and \$50 strikes. Shares are back at multi-month support near \$38 and the top of a big range from 2020 that led to the recent breakout move. A bounceback has room to \$42 in the near-term The \$61B company trades 23X earnings and 5X sales with mid-single digit growth. BSX is coming off of a strong quarter and keeping guidance intact in a confident sign that near-term headwinds are easing and underlying demand remains strong. BSX is seeing near-term results lifted by new product launches across coronary, endoscopy, and within their urology/pelvic franchises. BSX sees globalization and geographic expansion as a big driver over the next 1-2 years and seeing strong growing in some early areas like China where Rezum has been approved. The company could also target M&A with management saying in April they'll look at high-quality tuck-in assets after closing the Baylis Medical deal. Analysts have an average target for shares of \$49 with a Street High \$52. Piper positive on 4/27 noting that while gross margins will be under pressure for the year some of these headwinds should abate into 2023, setting the company up to be a strong grower and margin expansion story in addition to a catalyst-driven product story. Hedge fund ownership fell marginally. Viking Global a buyer of 12M shares.

#### Hawk Vision:



**Hawk's Perspective:** BSX is a high-quality name back at a big support level and can see a bounce back into that \$42-\$43 area quickly

**Confidence Ranking:** \$\$