

## SPOTLIGHT OPTION TRADE



### Puts in Asset Manager with Growing Headwinds

#### TRADE SNAPSHOT

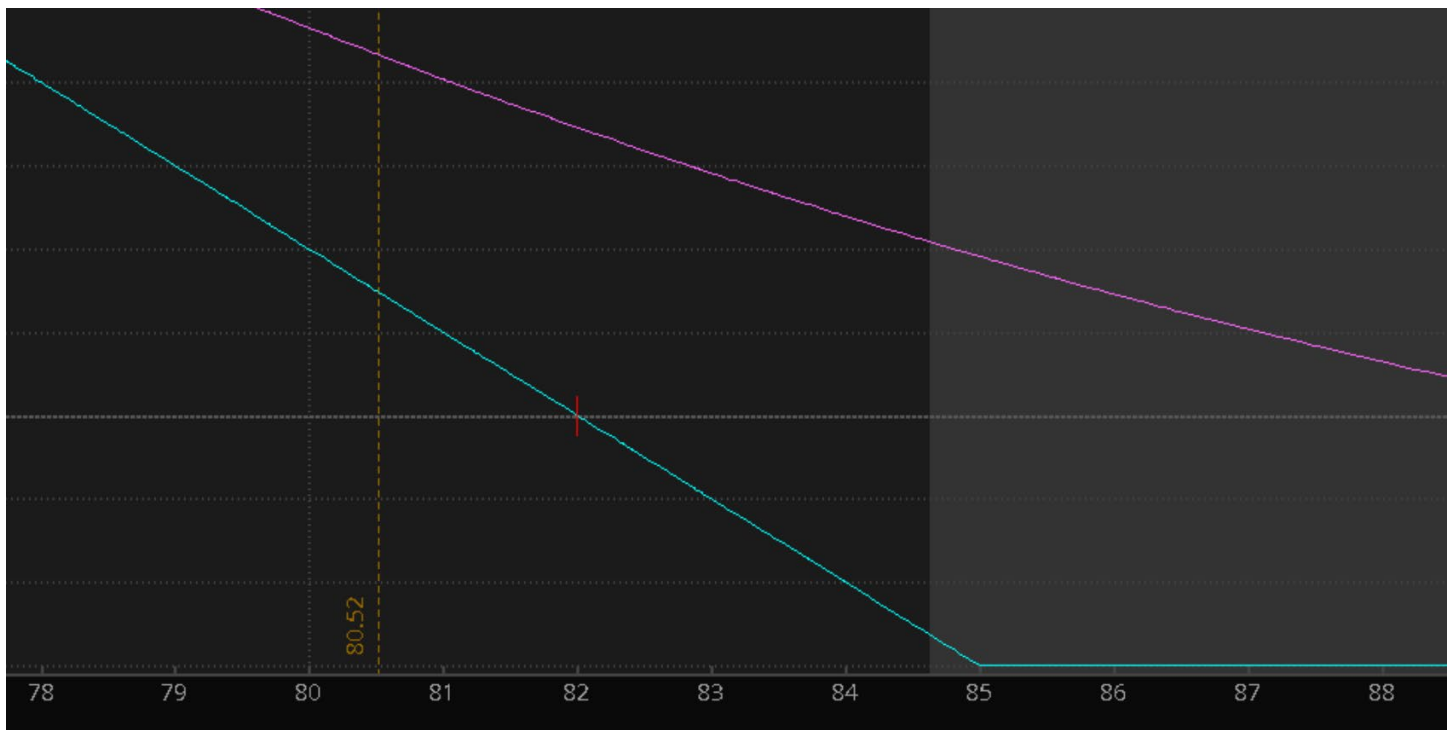
TICKER	BX
SECURITY	Blackstone Inc.
SECTOR	Financial – Asset Mgmt.
CURRENT PRICE	\$89.50
LONG/SHORT	Short
TARGET	\$82.50
STOP	\$94
TIMEFRAME	7 Weeks

**Trading Strategy:** Long BX April \$85 Puts at \$3 or Better

**Net Debit/Credit:** Debit of \$3

**Profitability Zone:** BX Below \$82 on April OpEx

**Options Volatility / Trade Simulator View:**





**Technical Analysis:** BX shares recently dipped back under its 200-MA and in a longer-term channel down pattern now threatening a break back under VWAP from the 2020 lows. BX failed to retake monthly value and looks vulnerable to work back to 1-year VPOC at \$82.70 if not lower.



**Fundamental Analysis:** BX is a leading alternative asset management firm with exposure to real estate, PE, hedge funds, credit, and both public debt and equities. BX faces risks in the current environment from illiquidity in some of their biggest markets, depressed valuations, and rising rates with their broad portfolio of credit and real estate – the former with \$200B in corporate credit exposure. BX has a market cap of \$106B and trades 14.3X Earnings and 8.7X Book with a 6% FCF yield. BX EPS is seen down 6% in 2023 before rebounding 28.7% in 2024, forward estimates that likely must come lower. Against the uncertain macro backdrop, portfolio companies' trends remain strong and more resilient than expected. BX remains on offense for attractive deployment opportunities. BX sees multiple growth engines to support FRE and earnings growth in the years to come including 1) \$150b flagship fundraising series, 2) increased earnings contribution from perpetual strategies across real estate, infrastructure and credit, 3) continued growth of the insurance platform capabilities. Analysts have an average target of \$101 with short interest at 2.6% of the float.

**Options Activity:**

Date	Ticker	Contract	Volume	Price	OI	Delta	IV	Premium	Last	Current OI ▾	▲ Price %
02-09-2023	BX	BX 100 17 MAR 23 85 PUT	8,744	\$2.12	3,333	-0.26	43.8%	\$1,871,216	\$0.8	9,420	▼ 62.26%
02-21-2023	BX	BX 100 21 APR 23 85 PUT	1,793	\$3.28	889	-0.31	41%	\$600,655	\$2.9	7,963	▼ 11.59%
02-24-2023	BX	BX 100 21 APR 23 85 PUT	3,432	\$3.85	3,693	-0.36	41.45%	\$1,338,480	\$2.9	7,963	▼ 24.68%
02-23-2023	BX	BX 100 (Weeklys) 31 MAR 23 85 PUT	3,993	\$2.5	7	-0.31	41.51%	\$1,014,222	\$1.68	6,719	▼ 32.8%
02-21-2023	BX	BX 100 21 APR 23 75 PUT	2,646	\$1.2	318	-0.13	45.63%	\$322,812	\$0.85	6,673	▲ 29.17%
02-24-2023	BX	BX 100 21 APR 23 75 PUT	3,098	\$1.37	2,964	-0.16	46.96%	\$470,896	\$0.85	6,673	▲ 37.96%
02-23-2023	BX	BX 100 (Weeklys) 31 MAR 23 75 PUT	6,444	\$0.62	21	-0.10	48.79%	\$509,076	\$0.3	6,582	▲ 51.61%
06-17-2022	BX	BX 100 16 JUN 23 80 PUT	1,100	\$12.05	388	-0.33	44.79%	\$1,325,500	\$3.5	6,570	▲ 70.95%
02-24-2023	BX	BX 100 16 JUN 23 80 PUT	2,829	\$4.22	3,472	-0.28	42.3%	\$1,174,035	\$3.5	6,570	▼ 17.06%
02-24-2023	BX	BX 100 16 JUN 23 70 PUT	3,054	\$1.86	3,056	-0.15	47.14%	\$610,800	\$1.42	5,670	▲ 23.66%
01-30-2023	BX	BX 100 17 MAR 23 95 PUT	3,188	\$5.1	458	-0.42	41.4%	\$1,530,240	\$5.7	4,940	▲ 11.76%
08-19-2022	BX	BX 100 17 MAR 23 90 PUT	1,043	\$7.1	198	-0.28	42.3%	\$766,605	\$2.47	4,506	▼ 65.21%
06-10-2022	BX	BX 100 19 JAN 24 90 PUT	697	\$12.55	446	-0.29	37.6%	\$874,735	\$10.97	3,722	▼ 12.59%

**Potential Catalysts:** No Scheduled Events

## **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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