

## SPOTLIGHT OPTION TRADE



### Metals Play with Large Call Open Interest at Key Support

#### TRADE SNAPSHOT

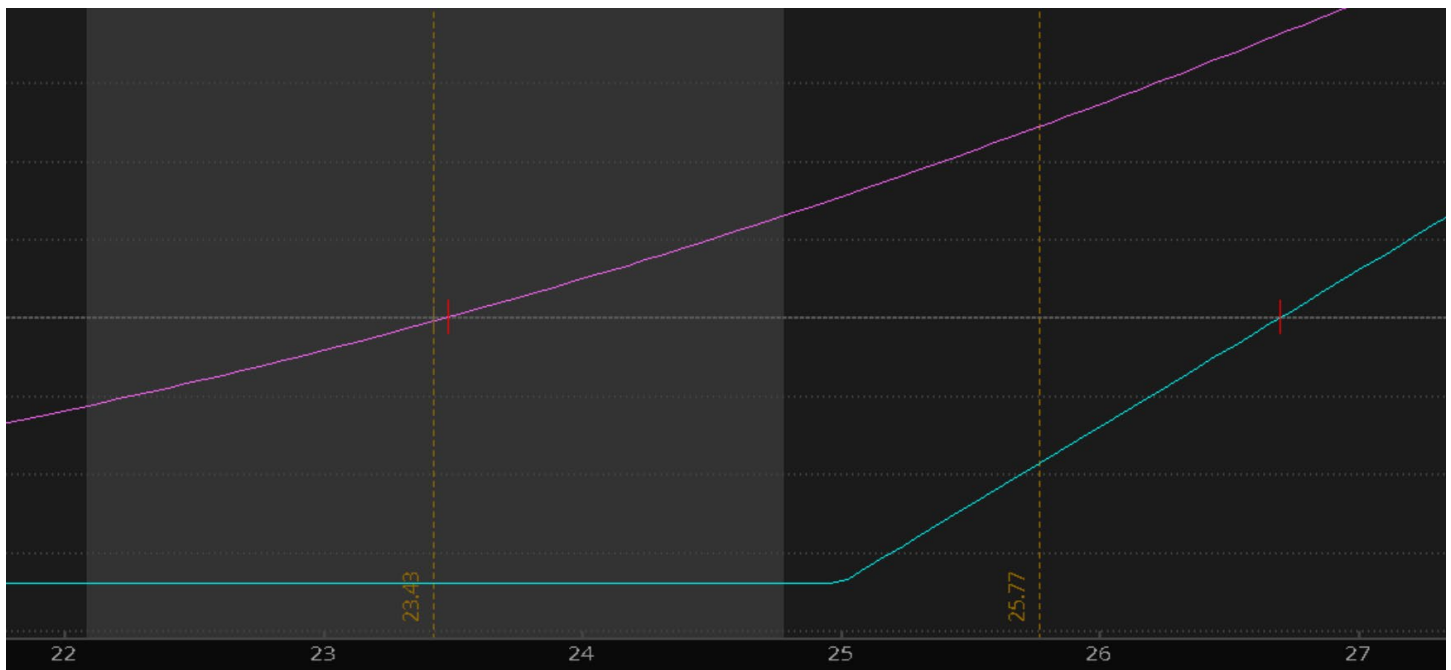
TICKER	CCJ
SECURITY	Cameco Corp.
SECTOR	Metals – Uranium
CURRENT PRICE	\$23.40
LONG/SHORT	Long
TARGET	\$30
STOP	\$21.50
TIMEFRAME	2 Months

**Trading Strategy:** Long CCJ January \$25 Calls at \$1.70 or Better

**Net Debit/Credit:** Debit \$1.70

**Profitability Zone:** CCJ Above \$26.70 on January OpEx

**Options Volatility / Trade Simulator View:**






**Technical Analysis:** CCJ lost some momentum and sits under some key moving averages including the 200-day but the long-term shows major support in this zone and key trend support, an optimal level for a good risk-reward entry.



**Fundamental Analysis:** CCJ is the leading Uranium producer and has a \$10.1B market cap trading 27X FY23 EBITDA with EBITDA seen rapidly growing to near \$1B by 2025 from \$223M in 2022. CCJ is a pure-play nuclear fuel investment with a proven track record and the strengths to take advantage of the world's rising demand for safe, reliable, affordable and carbon-free energy. CCJ's uranium production capacity is among the world's largest and offers an integrated uranium fuel supplier, offering refining, conversion and fuel manufacturing services. CCJ is benefitting from some early mega-trends in the energy space while growing demand for uranium and uncertainty around supply is helping pricing. The company sees upside in the next 2-3 years from new reactor builds, life extension projects, and prevention of early closures in some key geographies. Sanctions on Russia may also cause a lot of supply to go offline. CCJ recently announced a deal with Brookfield (BEP) on a partnership with Westinghouse Electric Company, one of the world's largest nuclear services businesses. CCJ is issuing shares at \$21.95 as part of the deal but this deal could be a major long-term positive. CCJ also signed a supply deal with China Nuclear earlier this week. Analysts have an average target of \$33.75 with short interest low at 2.5% of the float.

### Options Activity:

Date	Ticker	Contract	Volume	Price	OI	Delta	IV	Premium	Last	Current 
11-07-2022	CCJ	CCJ 100 17 MAR 23 35 CALL	30,069	\$0.57	1,511	0.16	53.06%	\$1,713,933	\$0.56	36,169
10-12-2022	CCJ	CCJ 100 20 JAN 23 28 CALL	7,518	\$1.02	790	0.28	59.26%	\$781,872	\$0.88	18,879
01-07-2022	CCJ	CCJ 100 20 JAN 23 20 PUT	2,550	\$3.15	1,140	-0.28	59.26%	\$803,250	\$0.9	13,540
01-25-2022	CCJ	CCJ 100 20 JAN 23 20 PUT	5,024	\$4.35	4,664	-0.39	56.77%	\$2,336,160	\$0.9	13,540
07-18-2022	CCJ	CCJ 100 16 DEC 22 26 CALL	1,241	\$2.55	544	0.46	61.09%	\$320,178	\$0.77	10,667
10-19-2022	CCJ	CCJ 100 16 DEC 22 26 CALL	3,500	\$1.25	2,338	0.36	61.51%	\$423,500	\$0.77	10,667
11-07-2022	CCJ	CCJ 100 17 MAR 23 30 CALL	8,010	\$1.24	2,295	0.30	53.38%	\$1,009,260	\$1.2	10,608
10-27-2022	CCJ	CCJ 100 16 DEC 22 21 PUT	3,327	\$0.78	1,300	-0.22	62.04%	\$266,160	\$0.76	9,923
04-21-2022	CCJ	CCJ 100 16 DEC 22 25 PUT	2,001	\$2.92	30	-0.28	59.12%	\$660,330	\$2.61	9,369
09-06-2022	CCJ	CCJ 100 16 DEC 22 25 PUT	3,262	\$2.18	3,566	-0.28	66.92%	\$714,378	\$2.61	9,369
09-16-2022	CCJ	CCJ 100 18 NOV 22 23 PUT	10,328	\$1.15	0	-0.22	68.42%	\$1,187,720	\$0.69	9,281
09-19-2022	CCJ	CCJ 100 18 NOV 22 23 PUT	10,427	\$0.92	10,655	-0.19	68.59%	\$1,000,992	\$0.69	9,281
06-15-2022	CCJ	CCJ 100 16 DEC 22 28 CALL	3,584	\$2.29	52	0.41	62.7%	\$856,576	\$0.4	8,368
10-12-2022	CCJ	CCJ 100 18 NOV 22 25 CALL	1,870	\$0.84	132	0.31	67.32%	\$160,820	\$0.35	8,247
08-01-2022	CCJ	CCJ 100 16 DEC 22 23 PUT	1,651	\$2.23	196	-0.33	56.09%	\$368,173	\$1.5	8,139
10-20-2022	CCJ	CCJ 100 16 DEC 22 23 PUT	4,563	\$2.2	3,469	-0.43	63.69%	\$1,003,860	\$1.5	8,139
10-28-2021	CCJ	CCJ 100 20 JAN 23 25 PUT	2,591	\$5.95	545	-0.37	55.33%	\$1,580,510	\$3.02	7,355
04-20-2022	CCJ	CCJ 100 20 JAN 23 25 PUT	4,070	\$2.99	4,060	-0.24	59.45%	\$1,216,930	\$3.02	7,355

**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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