



FEATURED OPTIONS RADAR REPORT



Bullish Open Interest Accumulates in Dish Network Ahead of Wireless Launch in Q4

Ticker/Price: DISH (\$43.70)

Analysis:

Dish Network (DISH) setting up well on the chart and seeing a pick-up in bullish flow recently including buyers in the December \$45 and \$50 calls over the past week. The March \$47.50 calls bought in size on 8/10 for \$2.3M while the Jan. 2023 \$42.50/\$70 call spread bought 3,000X and the June \$47.50 calls bought 2,000 on 7/20. DISH also has longer-dated short puts at the \$47.50 strikes. Shares are consolidating in a multi-month rounded base under \$45 with recent highs just above and a breakout targeting \$55. DISH is just a big 3-year volume node and setting up for a big leg higher over the next 12-18 months. The \$22.6B company trades 14.85X earnings, 1.25X sales, and 7X FCF. DISH is focused on the development and rollout of their nationwide wireless network as well as building out the first cloud-native 5G network. The company pushed back their launch to Q4 with a beta rolling out in Las Vegas before becoming commercially available in 2022. They are also considering partnerships with both regional and rural operators. DISH ultimately sees their 5G offering unique as well with significant enterprise capabilities and likely gains traction over the next 3-5 years as industrial digitization accelerates. Analysts have an average target for shares of \$50.50 with a Street High \$77. Moffett Nathanson upgrading to Neutral on 7/26. They think the Dish/AT&T network service agreement is a game changer for Dish and a disastrous result for the wireless incumbents as the extended timeline not only gives Dish more time to build out its network, but also improves the likelihood of a strategic partnership and future financing. Pivotal upgrading to Buy in June citing the 5G opportunity and upside potential as they work on a revolutionary cloud-native/software-driven network with key partner Amazon Web Services (AMZN). Short interest is 11.5%. Hedge fund ownership rose 1% last quarter. Contour Asset Management a buyer of 1.7M shares.

Hawk Vision:



Hawk's Perspective: DISH has had some short-term hiccups as they push back their launch again but sets up great between the flows and the chart while the long-term potential of their wireless buildout remains massive

Confidence Ranking: \$\$