



## FEATURED OPTIONS RADAR REPORT



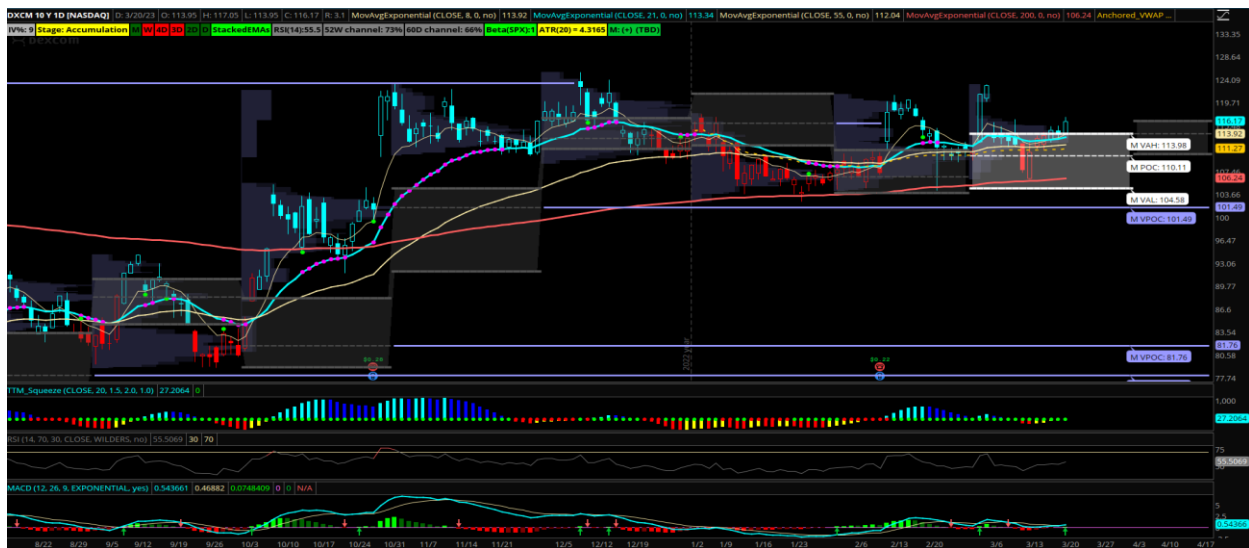
### Healthcare Med Tech Name Sees Opening Put Sales Look for Floor

**Ticker/Price: DXCM (\$116.30)**

#### Analysis:

**Dexcom (DXCM)** on 3/16 saw a large opening put sale for 1000 January \$107.50 puts at \$13.90 and nearly \$1.4M total after the stock tested and bounced off its 200 day EMA near 107. DXCM has also seen some opening put sales in September \$80 and \$75 puts as well as April \$105 puts sold to open 1500x. Last month also saw a large opening sale of 500 January 2025 \$110 puts sold for \$23.40 so multiple trades looking for a floor in this 100-110 range this year. Shares have been sideways since the start of the year and holding support at the 200 day EMA on two different touches while making higher lows. DXCM has a bullish looking inverted head and shoulders base formed on the weekly chart and a breakout above 125 can see a swift move up to 150-160 where stock has larger resistance from late 2021. The \$44.9B company trades at 80.2x earnings, 12.1x sales, FCF yield of 1% while revenue is expected to grow +19% in FY23 and +20% growth estimated in FY24. DexCom, Inc. is a medical device company. The Company is primarily focused on the design, development, and commercialization of continuous glucose monitoring (CGM), systems for use by people with diabetes and by healthcare providers. Average analyst target is \$133. Jefferies out recently saying the pullback is a buying opportunity on ABT news announcing FDA clearance for its product. The firm still sees the news overall as supportive for DexCom citing its view that there is still a rising tide market where both DexCom and Abbott can win with CGM penetration given the basal expansion. The firm has a Buy rating and \$150 price target. Cowen raised to \$125 from \$114 and keeps an Outperform saying the firm remains bullish about G7's global rollout as the US launch is now underway. DexCom also has another substantial opportunity with CMS's planned coverage of CGM for basal insulin users which should begin by midyear. Wolfe started at an Outperform and \$121 target saying the company's "generational investment" in Malaysia winding down, likely freeing cash flow in 2024 and beyond and bringing global production capacity to 200M sensors, which could support at least a tripling of the its user base. Short interest is 3.4%. Hedge fund ownership fell 74% last quarter.

#### Hawk Vision:



**Hawk's Perspective:** DXCM is a top med tech growth name and always good to seeing opening put sales in a name like that which has held up well above the 200 day so playing it long here with stops under 107 or bull put spreads work as well

**Confidence Ranking: \$\$**