



## FEATURED OPTIONS RADAR REPORT



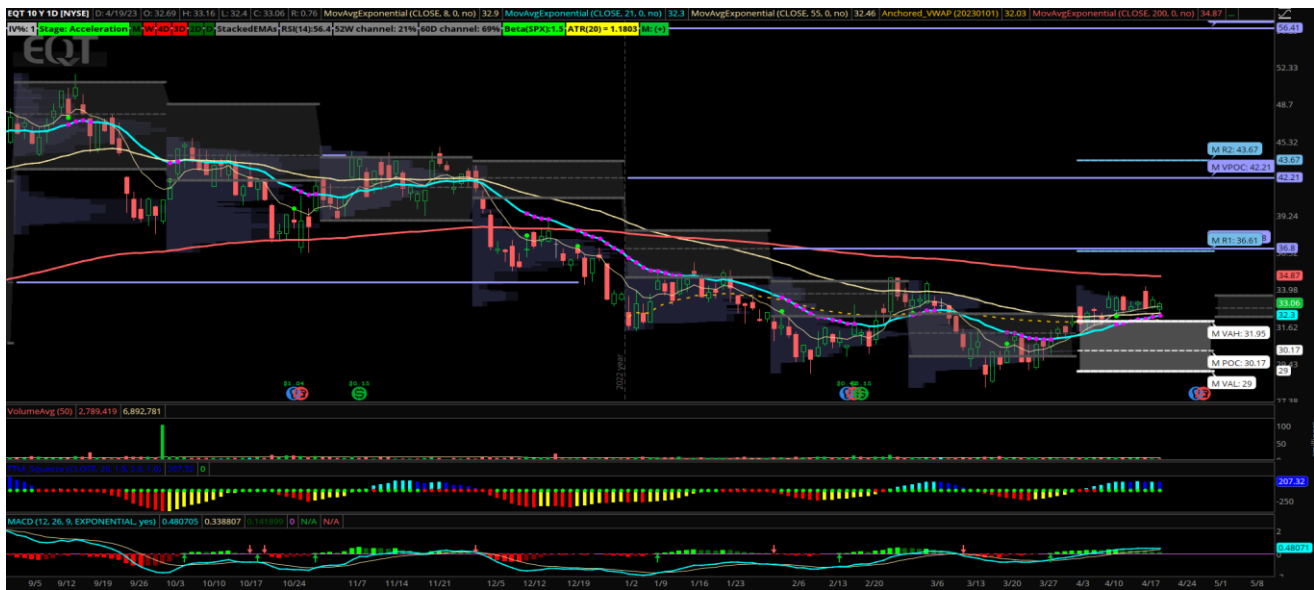
### Bulls Position for Upside Rebound in Nat Gas Shale Producer

**Ticker/Price:** EQT (\$33.05)

#### Analysis:

**EQT (EQT)** is seeing bulls step up with repeat bullish flow the past few weeks including over 10,000 May \$35/38 call spreads bought on 4/10 at \$0.93 and 3000 May \$36 calls bought at \$0.87 while recently also on 4/18 a buyer of 3000 May \$34 calls for \$1.30. EQT has seen opening put sales as well for 1100 May \$37 ITM puts sold for \$4.10 and still has 1000 June \$42 ITM puts in open interest from sales at \$9 and 600 January 2025 \$28 calls bought on 1/25 at \$11.25 still holding. Shares have been basing and forming a nice, inverted bottom pattern with the 30 level a clear support seeing buyers defend and accumulate. EQT has closed above the 8-week EMA now at 32 with a weekly MACD bull cross and nearing a bullish cross of the 21/55 day EMA while a close over 34 signals a bullish trigger into 2022 yearly value area which can then see a longer term move to 40 which is near the yearly POC and then 47.50 the top of 2022 value area. The \$12B company trades at 10.4x earnings, 2.5x sales, FCF yield of 27% while revenue expected to fall -19% in FY23 and growth estimated at +31% in FY24. EQT Corporation is a natural gas producer with operations focused on the Marcellus and Utica Shales of the Appalachian Basin. It has approximately 25.0 trillion cubic feet equivalents (Tcfe) of proved natural gas, natural gas liquids (NGLs), and crude oil reserves across approximately 2.0 million gross acres, including approximately 1.8 million gross acres in the Marcellus play. Average analyst target is \$45. UBS started this week at Neutral with a \$36 target and Piper lowered its target to a still bullish \$50 saying sentiment for the group has taken a turn for the better, with broadly less capital efficient guidance out of the way. Morgan lowered its target to \$37 and keeps an Overweight rating after updating commodity assumptions to account for Q1 actuals and Q2 strip. Wells Fargo started with an Overweight and \$41 target and anticipates modest growth through 2025, due mostly to market access limitations, but views EQT's overreliance on gas as a modest headwind for equity performance in 2023. Short interest is at 5.1%. Hedge fund ownership fell 17%.

#### Hawk Vision:



**Hawk's Perspective:** EQT is a buy above 34 and can see a strong move higher into summertime if energy prices continue the likely seasonal rally from here. Selling puts to own stock or tailing those May 35/38 call spreads works.

**Confidence Ranking:** \$\$