

SPOTLIGHT OPTION TRADE



First Solar Dominance to Continue as Tariffs Weaken Competition

TRADE SNAPSHOT

TICKER	FSLR
SECURITY	First Solar
SECTOR	Tech - Solar
CURRENT PRICE	\$61.42
LONG/SHORT	Long
TARGET	\$68
STOP	\$57
TIMEFRAME	6 Weeks

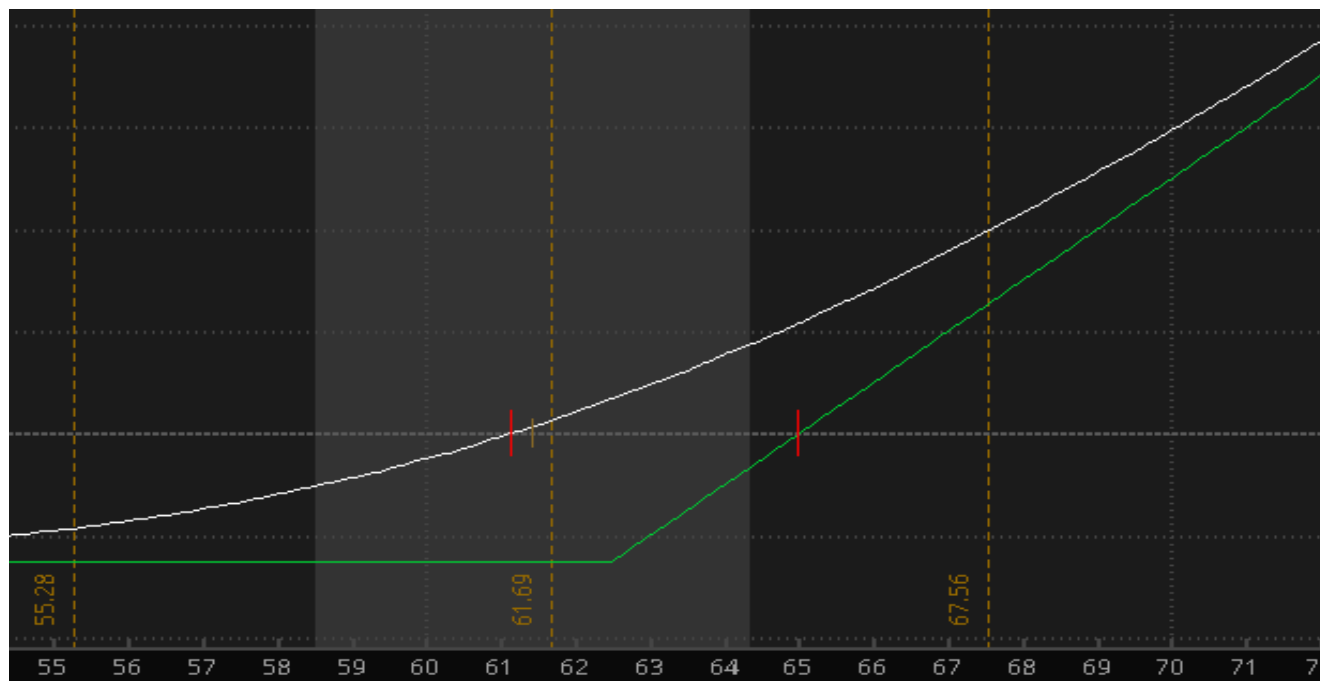
Trading Strategy: Long the FSLR July \$62.50 Calls \$2.50 or Better

Net Debit/Credit: Debit \$2.50

Profitability Zone: FSLR Above \$65 on July OpEx

Greeks: Delta 47; Vega 8; Gamma 5; Theta -4

Options Volatility / Trade Simulator View:





Technical Analysis: FSLR shares are working out of a tight weekly bull wedge pattern with weekly RSI maintaining strength, room to continues it measured move path to \$70.



Fundamental Analysis: The \$6.47B Solar leader trades 17X Earnings and 10X EV/EBITDA with a strong balance sheet and revenues seen growing 58% this year as it faces easy Y/Y comps the next few quarters. Global solar continues to see strong demand and FSLR has differentiated technology and is cost competitive. Its Series 6 is being deployed and carried much stronger gross margins. It has an industry leading balance sheet giving it competitive advantages. The company is seeing strong bookings and higher ASP. Analysts have an average target of \$70 on shares and short interest remains elevated at 13.6% of the float. On 5-6 JP Morgan added it to the Focus List with a \$72 target seeing strong earnings inflection nearing with the Series 6 ramp. UBS sees investor sentiment set to improve and has a Buy rating and \$73 target.

Options Activity:

Date ▾	Description ▾	Volume ▾	Open.Int ▾	Price ▾	%Change ▾	Delta ▾	Impl Vol ▾	Prob.ITM ▾	Premium Paic ▾	Symbol
5/30/2019	FSLR 100 (Weeklys) 14 JUN 19 56 CALL	1,017	4	\$4.05	26.56%	0.77	40.03%	74.32%	\$422,055	.FSLR190614C56
5/3/2019	FSLR 100 21 JUN 19 62.5 CALL	5,099	222	\$2.60	1.17%	0.5	33.18%	44.70%	\$1,325,740	.FSLR190621C62.5
5/3/2019	FSLR 100 20 SEP 19 60 PUT	570	94	\$4.10	-24.77%	-0.37	36.88%	45.43%	\$233,700	.FSLR190920P60
5/2/2019	FSLR 100 21 JUN 19 70 PUT	500	50	\$10.05	15.52%	-0.84	38.04%	87.15%	\$502,500	.FSLR190621P70
5/2/2019	FSLR 100 21 JUN 19 65 CALL	1,229	1,148	\$2.12	-9.79%	0.37	38.08%	31.63%	\$276,525	.FSLR190621C65
4/29/2019	FSLR 100 19 JUL 19 65 CALL	910	64	\$3.10	6.90%	0.43	36.35%	36.46%	\$282,100	.FSLR190719C65
4/26/2019	FSLR 100 17 JAN 20 70 PUT	501	101	\$12.55	-2.33%	-0.999	--	100.00%	\$628,755	.FSLR200117P70
4/23/2019	FSLR 100 20 SEP 19 55 CALL	1,000	374	\$9.35	3.31%	0.7	39.21%	60.80%	\$935,000	.FSLR190920C55
4/23/2019	FSLR 100 20 SEP 19 67.5 CALL	2,019	12	\$3.45	9.52%	0.39	38.82%	30.16%	\$696,555	.FSLR190920C67.5
4/3/2019	FSLR 100 17 JAN 20 60 CALL	1,014	2,642	\$5.70	10.89%	0.48	37.24%	35.31%	\$577,980	.FSLR200117C60
3/26/2019	FSLR 100 20 SEP 19 37.5 PUT	1,912	2	\$0.86	30.30%	-0.1	42.56%	16.64%	\$164,432	.FSLR190920P37.5
3/22/2019	FSLR 100 20 SEP 19 47.5 PUT	566	213	\$3.35	27.38%	-1	--	100.00%	\$189,610	.FSLR190920P47.5
3/19/2019	FSLR 100 20 SEP 19 60 CALL	1,016	769	\$3.95	9.72%	0.44	34.98%	34.52%	\$411,480	.FSLR190920C60

Potential Catalysts: No Events Scheduled – Earnings Late July

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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