



## FEATURED OPTIONS RADAR REPORT



### Call Buyers Accumulate Positions in Precious Metals Leader

**Ticker/Price:** GOLD (\$19.3)

**Barrick Gold (GOLD)** seeing a lot of call buying in 2022 including this week with buyers of 3000 September \$21 calls and 6000 May \$21 calls on 2/10 while 31,500 March \$17 calls in open interest from large buys of over \$6.5M on 2/4 and also seen buyers in March \$16 and \$18 calls. GOLD also has 16,000 June \$22 calls in open interest from buyers back in October and 25,000 of the June \$21 calls. GOLD shares have a multi-week base forming above \$18 support and seeing a bullish RSI trend during the basing process which favors an upside breakout with weekly RSI just under 50. Shares need to close above \$21.20 for a confirmed base breakout that measures to \$25 while the 200-day moving average is at \$20.22. GOLD will report results on 2-16. Barrick is engaged in the production and sale of gold, as well as related activities such as exploration and mine development. Barrick also produces significant amounts of copper (20% of business). GOLD has a market cap of \$34B and trades 17.4X Earnings, 6.7X EBITDA and 20.3X FCF with a 1.87% dividend, a cheap name though limited growth seen ahead unless Gold prices move higher. Barrick has shown a lot of interest in investing further in Canada and sees huge opportunities in Nevada. Analysts have an average target of \$26 with short interest low at 0.9% of the float. CSFB is positive on Barrick and the sector on re-rate potential with strong FCF in 2022.

#### Hawk Vision:



**Hawk's Perspective:** GOLD upside calls are very cheap and think June \$20's for \$1.20 can be managed easily with an \$18.70 stop.

**Confidence Ranking:** \$\$