



FEATURED OPTIONS RADAR REPORT



Bulls See Upside in Toymaker after Holiday Demand Surges

Ticker/Price: HAS (\$95.90)

Hasbro (HAS) saw a surge in options activity on 1/21 as 35X average daily calls traded with a focus on the April expiration as 5000 of the \$100 calls bought for \$3.90 and 2350 of the \$97.50 calls also bought for over \$1.3M. HAS also has seen 1000 of the \$95 calls bought and accumulate in OI while 1000 of the February \$105 puts have been sold to open. HAS shares recently broke out above a key \$101 level but the overall market selling pulled shares back to VPOC, though one of the few names with a firmly intact uptrend and trading above its 200-day moving average. HAS needs a weekly close above \$102 as a name yet to get back to pre-COVID highs and has room to make its way back to \$120. HAS is a global leader in toys, games, consumer products, digital gaming and other entertainment experiences with key brands such as NERF, MAGIC: THE GATHERING, MY LITTLE PONY, TRANSFORMERS, PLAY-DOH, MONOPOLY, BABY ALIVE, POWER RANGERS, PEPPA PIG and PJ MASKS. HAS acquired global entertainment studio, Entertainment One back in 2019. Hasbro has a market cap of \$13.55B and trades 17.9X Earnings, 2.2X Sales and 20.5X FCF with a healthy 2.85% yield, a value name with strong cash flows and expanding margins. Consensus forecasts see revenues rising around a 6% CAGR the next three years and EBITDA growth of 12%+. HAS is coming off a solid quarter and continues to navigate supply chain uncertainties. Management is optimistic about WOTC & Digital Gaming growth, stating that growth is tracking well through player expansion, new games, and new IP. HAS announced a new CEO is early January and there has long been talks of a potential merger with Mattel (MAT). Analysts have an average target of \$117 with short interest at 4.8% of the float rising 39% Q/Q. MKM out positive on 1/13 after a strong Holiday season. DA Davidson a Street bull out with a raised target of \$140 in October. HAS will report earnings on 2-7.

Hawk Vision:



Hawk's Perspective: HAS fits the mold of value which is working in this environment and has retraced 50% of the move from October lows, a fine entry level for a recovery back to highs.

Confidence Ranking: \$\$