

## SPOTLIGHT OPTION TRADE



### Best in Class Bank Attractive as Group Pauses, Economy Surges, Jackson Hole Catalyst

#### TRADE SNAPSHOT

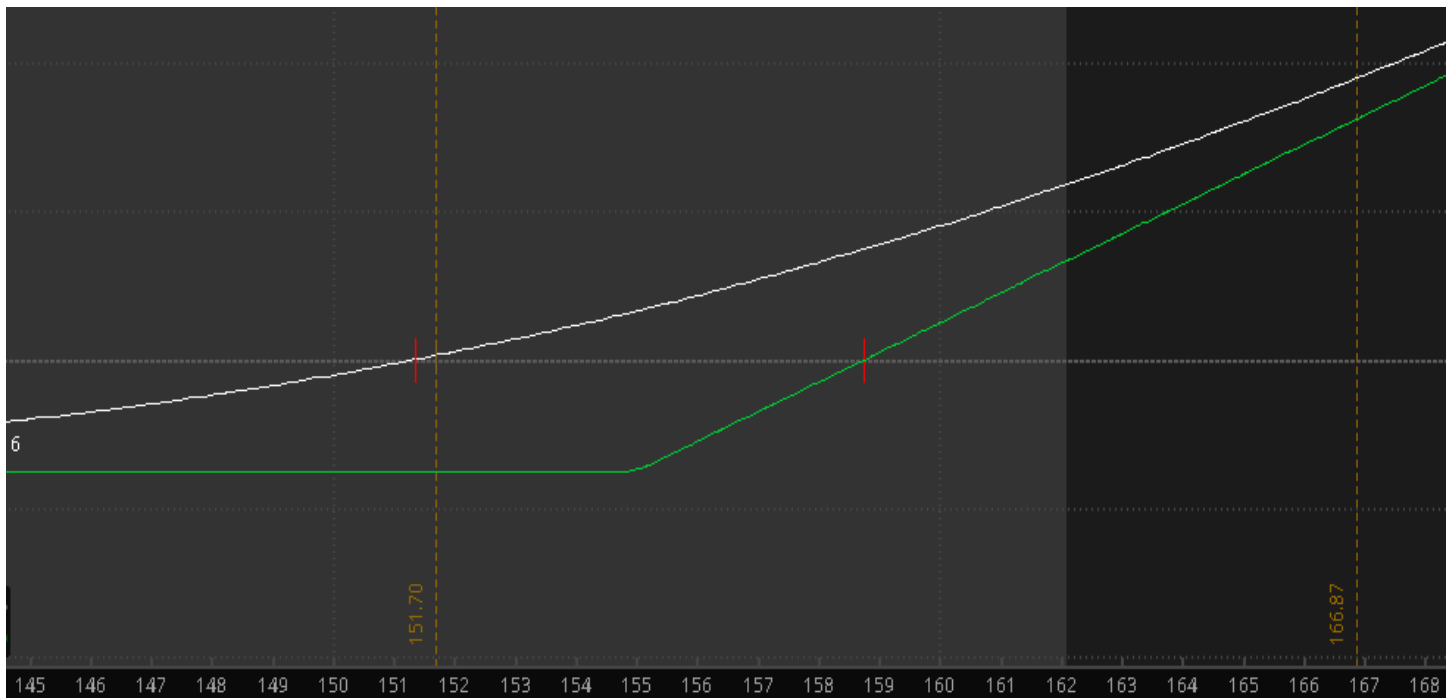
TICKER	JPM
SECURITY	JP Morgan Chase & Co
SECTOR	Financials – Banks
CURRENT PRICE	\$151.70
LONG/SHORT	Long
TARGET	\$165
STOP	\$145
TIMEFRAME	2 Months

**Trading Strategy:** Long JPM September \$155 Calls at \$3.75 or Better

**Net Debit/Credit:** Debit \$3.75

**Profitability Zone:** JPM Above \$158.75 on September OpEx

**Options Volatility / Trade Simulator View:**





**Technical Analysis:** JPM is flat since February and although it may appear as a head and shoulders topping pattern, we see these fail constantly, and see a falling wedge with Accumulation/Distribution showing a bullish divergence up near highs. I like the reward/risk here, a move above \$155.50 can really start a big breakout run to highs.

JP Morgan Chase & Co., Daily, Nasdaq + Nyse BQT O 152.29 H 152.76 L 150.89 C 151.72 Change -0.37% Market closed



**Fundamental Analysis:** The \$460B Bank trades 12.85X Earnings and 1.87X Book with a 2.37% yield and strong 15%+ ROE. JPM earnings are seen rising 57% in 2021. JPM is coming off another strong quarter positive on the economy & consumer while its wealth management business is planning to double advisors according to a Bloomberg report. JPM is also investing strongly in Tech and is on pace for their biggest year of M&A in a decade with over 30 acquisitions this year already. Analysts have an average target of \$170 and short interest minimal at 0.7% of the float. CSFB raised its target to \$177 on 7/14 noting strong operating leverage and lower credit costs.

### Options Activity:

Date	Description	Volume	Open Int	Price	Delta	Impl Vo	Prob.ITM	Premium Paid	Symbol	Current Price	Current OI
7/22/2021	JPM 100 18 MAR 22 120 PUT	1,016	453	\$3.20	-0.16	29.40%	22.53%	\$345,440	JPM220318P120	\$3.15	1701
7/20/2021	JPM 100 17 SEP 21 135 PUT	10,128	6,757	\$1.49	-0.17	27.34%	19.69%	\$1,579,968	JPM210917P135	\$1.19	17218
7/19/2021	JPM 100 20 AUG 21 148 CALL	1,008	0	\$4.21	0.47	26.86%	44.03%	\$424,368	JPM210820C148	\$6.00	456
7/9/2021	JPM 100 20 AUG 21 180 CALL	7,855	1,023	\$0.32	0.055	26.07%	4.59%	\$251,360	JPM210820C180	\$0.04	7628
7/8/2021	JPM 100 17 SEP 21 155 CALL	6,439	4,423	\$4.50	0.41	25.39%	36.94%	\$3,251,695	JPM210917C155	\$3.70	13011
7/6/2021	JPM 100 18 MAR 22 160 PUT	236	76	\$16.70	-0.59	21.78%	66.51%	\$395,300	JPM220318P160	\$17.07	340
7/2/2021	JPM 100 20 JAN 23 200 CALL	1,023	1,100	\$5.30	0.22	25.01%	14.27%	\$542,190	JPM230120C200	\$3.67	2345
7/2/2021	JPM 100 18 MAR 22 185 CALL	1,000	183	\$2.87	0.194	23.28%	14.66%	\$287,000	JPM220318C185	\$1.95	1023
7/2/2021	JPM 100 17 JUN 22 220 CALL	4,099	321	\$1.04	0.077	24.34%	4.91%	\$426,296	JPM220617C220	\$0.94	4388
6/24/2021	JPM 100 17 JUN 22 155 PUT	2,001	1,241	\$16.65	-0.507	22.05%	60.47%	\$3,331,665	JPM220617P155	\$17.50	3018
6/22/2021	JPM 100 17 SEP 21 165 CALL	7,739	3,084	\$2.04	0.22	23.26%	18.76%	\$1,594,234	JPM210917C165	\$1.08	26025
6/18/2021	JPM 100 15 OCT 21 145 PUT	1,363	569	\$7.95	-0.43	26.56%	49.67%	\$1,090,400	JPM211015P145	\$4.60	3141
6/17/2021	JPM 100 17 JUN 22 165 CALL	17,216	5,292	\$8.65	0.38	24.68%	29.24%	\$15,322,240	JPM220617C165	\$7.85	23765
6/16/2021	JPM 100 20 AUG 21 150 CALL	907	548	\$7.65	0.61	23.04%	56.55%	\$693,855	JPM210820C150	\$4.45	10716
6/15/2021	JPM 100 20 JAN 23 155 PUT	1,961	1,268	\$22.21	-0.46	25.51%	60.45%	\$4,461,275	JPM230120P155	\$22.54	3201
6/15/2021	JPM 100 20 JAN 23 115 PUT	3,875	430	\$6.85	-0.18	29.22%	29.74%	\$2,712,500	JPM230120P115	\$6.75	5319
6/14/2021	JPM 100 15 OCT 21 155 CALL	1,052	152	\$9.45	0.56	23.50%	50.47%	\$1,004,660	JPM211015C155	\$4.92	4236
6/7/2021	JPM 100 21 JAN 22 145 PUT	3,631	2,255	\$5.65	-0.25	26.19%	31.92%	\$2,069,670	JPM220121P145	\$8.30	9859
5/27/2021	JPM 100 20 JAN 23 130 PUT	2,986	1,584	\$10.00	-0.23	28.60%	36.92%	\$3,060,650	JPM230120P130	\$10.80	6776
5/26/2021	JPM 100 20 JAN 23 135 PUT	1,820	1,271	\$11.90	-0.27	27.85%	40.80%	\$2,165,800	JPM230120P135	\$13.05	3835
5/17/2021	JPM 100 21 JAN 22 165 PUT	1,378	613	\$15.60	-0.49	25.35%	58.54%	\$2,163,460	JPM220121P165	\$19.35	1927
5/17/2021	JPM 100 17 JUN 22 150 CALL	1,021	365	\$24.43	0.65	29.23%	52.92%	\$2,494,303	JPM220617C150	\$14.00	2020
5/17/2021	JPM 100 17 JUN 22 145 PUT	1,000	332	\$10.84	-0.31	27.37%	42.16%	\$1,100,000	JPM220617P145	\$12.30	4897
5/17/2021	JPM 100 17 JUN 22 125 PUT	1,175	599	\$5.55	-0.17	30.32%	26.80%	\$663,875	JPM220617P125	\$5.75	1799
5/14/2021	JPM 100 20 AUG 21 165 PUT	681	36	\$9.25	-0.501	24.96%	55.55%	\$629,925	JPM210820P165	\$13.65	1152
5/13/2021	JPM 100 20 AUG 21 145 PUT	1,572	784	\$3.60	-0.23	29.27%	28.34%	\$581,640	JPM210820P145	\$1.45	8507
5/12/2021	JPM 100 17 JUN 22 105 PUT	1,353	901	\$2.98	-0.1	33.83%	17.64%	\$419,430	JPM220617P105	\$2.67	2074
5/5/2021	JPM 100 20 AUG 21 160 CALL	5,852	5,472	\$6.80	0.46	24.37%	40.77%	\$4,008,620	JPM210820C160	\$0.79	20908

**Potential Catalysts:** Fed at Jackson Hole

## **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.*

Content is for informational and educational purposes only, and is not to be construed as specific investment advice or recommendations. You alone will need to evaluate the merits and risks associated with the use of this content. Decisions based on information provided are your sole responsibility, and before making any decision on the basis of this information, you should consider (with or without the assistance of a financial and/or securities adviser) whether the information is appropriate in light of your particular investment needs, objectives and financial circumstances. Investors should seek qualified professional financial advice regarding the suitability of investing in any securities or following any investment strategies.

No reference to any specific security constitutes a recommendation to buy, sell or hold that security or any other security. Nothing constitutes investment advice or offers any opinion with respect to the suitability of any security, and the views expressed on this website should not be taken as advice to buy, sell or hold any security. In preparing the information contained in this website, OptionsHawk has not taken into account the investment needs, objectives and financial circumstances of any particular investor. This information does not consider the specific investment objectives, financial situation and particular needs of any specific recipient of this information and investments discussed may not be suitable for all investors

For example, and, as always, be aware that market timing and conditions may materially affect trades of this nature: The above is an example of a trade idea, but you must be aware of the risks of trading. As we have disclosed, we are not licensed, and we are not giving specific securities advice for your portfolio. We are merely providing examples and education of strategies. We always advise people to get professional advice, and we are not recommending any particular trade or security, or soliciting any trade or security.