

SPOTLIGHT OPTION TRADE



Lyft Cheap to Uber and Room to Run Back to 200 MA as Travel Normalcy Returns

TRADE SNAPSHOT

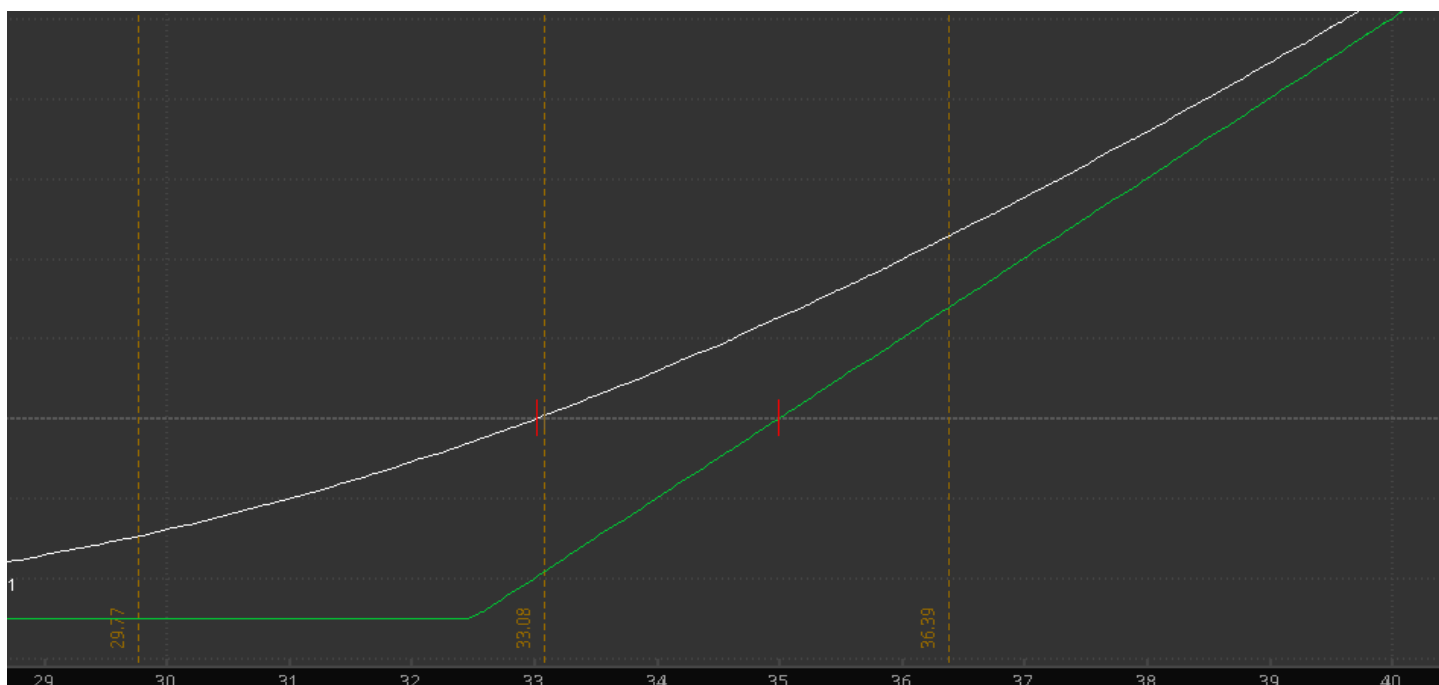
TICKER	LYFT
SECURITY	Lyft Inc.
SECTOR	Tech – Software – Ride Hailing
CURRENT PRICE	\$31.68
LONG/SHORT	Long
TARGET	\$40
STOP	\$28
TIMEFRAME	2 Months

Trading Strategy: Long LYFT July \$32.50 Calls at \$3 or Better

Net Debit/Credit: Debit \$3

Profitability Zone: LYFT Shares Above \$35.5 on July OpEx

Options Volatility / Trade Simulator View:





Technical Analysis: LYFT shares forming a long basing pattern since the March sell-off with room to make a run back to its 200 day moving average at \$40, supportive action recently by the 21 and 34 day moving averages while firmly in a trend up off the lows and explosive triangle pattern forming.



Fundamental Analysis: The \$9.6B Company now trades 2.6 X EV/Sales while UBER is trading 4.6 X and LYFT revenues seen recovering with 50% growth in 2021 after a 67.7% growth year in 2019 with profitability targeted for FY22. LYFT took cost reduction action into the pandemic that will allow it to emerge stronger and could lead to higher operating efficiencies and faster profitability. Before the crisis LYFT was generating very strong growth in active riders and revenues per rider. LYFT provided May trends in an update after the close 6/2 that saw 26% growth versus April though still down 70% Y/Y. Analysts have an average target of \$41 and short interest is 9.4% of the float, down 6% Q/Q. On 5/21 Loop Capital lowered its target to \$41 from \$62 citing sustained impairment from less business travel and commuting with added cyclical headwinds from the recession and job losses but a return to growth seen for Q2 2021. Hedge Fund ownership rose 1.3% in Q1 filings.

Options Activity:

Date	Description	Volume	Open Int	Price	Delta	Impl Vol	Prob. ITM	Premium Paic	Symbol	Current Price	Current OI	Price Change	OI Differential	Sector
6/2/2020	LYFT 100 21 JAN 22 50 CALL	1,002	1,606	\$4.80	0.4	57.78%	16.30%	\$480,960	.LYFT220121C50					
6/1/2020	LYFT 100 21 JAN 22 30 CALL	3,002	737	\$10.95	0.69	67.28%	35.30%	\$3,392,260	.LYFT220121C30	\$11.50	3733	5.02%	-1.16%	Tech
6/1/2020	LYFT 100 21 JAN 22 25 PUT	4,010	460	\$6.35	-0.24	68.11%	56.92%	\$2,746,850	.LYFT220121P25	\$6.35	4470	0.00%	.00%	Tech
6/1/2020	LYFT 100 21 JAN 22 65 CALL	3,002	409	\$2.60	0.25	55.51%	8.42%	\$885,590	.LYFT220121C65	\$2.60	3094	0.00%	-9.29%	Tech
5/28/2020	LYFT 100 (Weeklys) 5 JUN 20 33.5 PUT	2,057	31	\$1.62	-0.54	64.61%	58.24%	\$345,576	.LYFT200605P33.5	\$1.47	2,569	-9.26%	23.04%	Tech
5/27/2020	LYFT 100 15 JAN 21 30 PUT	1,412	4,506	\$5.52	-0.33	69.38%	54.37%	\$790,720	.LYFT210115P30	\$5.40	6,021	-2.17%	1.74%	Tech
5/27/2020	LYFT 100 21 AUG 20 40 CALL	1,232	646	\$1.67	0.31	63.01%	21.19%	\$220,528	.LYFT200821C40	\$1.62	1,921	-2.99%	2.29%	Tech
5/18/2020	LYFT 100 15 JAN 21 35 CALL	2,942	788	\$5.30	0.51	69.85%	29.63%	\$1,559,260	.LYFT210115C35	\$5.70	3,672	7.55%	-1.55%	Tech
5/18/2020	LYFT 100 15 JAN 21 25 PUT	2,903	1,143	\$4.50	-0.27	76.73%	50.11%	\$1,306,350	.LYFT210115P25	\$3.85	4,040	-14.44%	-1.15%	Tech
5/18/2020	LYFT 100 16 OCT 20 17.5 PUT	1,514	472	\$1.15	-0.11	88.95%	24.91%	\$174,110	.LYFT201016P17.5	\$0.81	1,727	-29.57%	-13.04%	Tech
5/8/2020	LYFT 100 19 JUN 20 30 PUT	10,357	1,669	\$1.88	-0.31	71.65%	40.27%	\$1,957,473	.LYFT200619P30	\$0.98	4,354	-47.87%	-63.80%	Tech
5/1/2020	LYFT 100 19 JUN 20 30 PUT	1,016	863	\$3.30	-0.39	84.66%	51.66%	\$340,360	.LYFT200619P30	\$0.98	4,354	-70.30%	131.72%	Tech
4/28/2020	LYFT 100 15 JAN 21 32.5 PUT	1,800	3,065	\$6.90	-0.37	67.04%	59.66%	\$1,278,000	.LYFT210115P32.5	\$6.80	4,759	-1.45%	-2.18%	Tech
4/27/2020	LYFT 100 16 OCT 20 40 CALL	2,544	570	\$4.09	0.45	66.03%	27.87%	\$1,055,760	.LYFT201016C40	\$2.54	5,156	-37.90%	65.57%	Tech
4/21/2020	LYFT 100 19 JUN 20 37.5 CALL	8,700	12	\$1.28	0.26	80.76%	16.92%	\$1,209,300	.LYFT200619C37.5	\$0.40	3,926	-68.75%	-54.94%	Tech
4/21/2020	LYFT 100 16 OCT 20 42.5 CALL	1,003	129	\$1.99	0.28	66.87%	14.63%	\$200,600	.LYFT201016C42.5	\$1.55	1,779	-22.11%	57.16%	Tech
4/15/2020	LYFT 100 17 JUL 20 27.5 PUT	4,075	621	\$3.82	-0.36	80.40%	52.48%	\$1,589,250	.LYFT200717P27.5	\$1.14	5,113	-70.16%	8.88%	Tech
4/9/2020	LYFT 100 15 JAN 21 27.5 CALL	1,251	201	\$9.10	0.69	73.35%	44.46%	\$1,182,195	.LYFT210115C27.5	\$9.34	1,400	2.64%	-3.58%	Tech
4/8/2020	LYFT 100 17 JUL 20 30 CALL	2,136	1,017	\$4.55	0.57	78.26%	40.52%	\$971,880	.LYFT200717C30	\$4.45	3,277	-2.20%	3.93%	Tech
4/2/2020	LYFT 100 17 JUL 20 25 CALL	1,819	268	\$3.80	0.5	88.53%	31.78%	\$609,365	.LYFT200717C25	\$6.75	1,985	77.63%	-4.89%	Tech
4/2/2020	LYFT 100 16 OCT 20 32.5 CALL	1,640	119	\$2.56	0.38	73.41%	19.84%	\$424,760	.LYFT201016C32.5	\$5.15	2,282	101.17%	29.73%	Tech
4/2/2020	LYFT 100 17 JUL 20 32.5 CALL	1,869	646	\$1.37	0.28	79.22%	15.37%	\$257,922	.LYFT200717C32.5	\$2.96	2,471	116.06%	-1.75%	Tech
3/31/2020	LYFT 100 15 JAN 21 37.5 CALL	3,001	231	\$3.40	0.4	67.99%	19.83%	\$1,110,370	.LYFT210115C37.5	\$4.66	4,000	37.06%	23.76%	Tech

Potential Catalysts: No Scheduled Events – Metric Updates

Disclaimer:

Not Investment Advice or Recommendation

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