



FEATURED OPTIONS RADAR REPORT



Lyft Bulls See Strength Continuing Amid Reopening

Ticker/Price: LYFT (\$62)

Analysis:

Lyft (LYFT) seeing a lot of bullish flow this week including a buyer of 10,000 October \$52.50 calls for \$9.4M, buyers in the August \$70 calls 2,450X on 7/1, and sellers in the June 2022 \$50 puts on 7/1. LYFT had 2000 June 2022 \$45 puts sold to open on 6/21 and put sales popular recently in the October options as well. Shares are riding the 8- and 21-MA higher since mid-May and just below new highs at \$67 from earlier this year. The broader chart has room out to \$80+. The \$20.5B company trades 95X earnings, 10X sales, and 9X cash. LYFT has benefitted from the easing of COVID restrictions and pent-up demand for off-premise entertainment and dining. They've seen headwinds from a driver shortage early in the recovery but should improve as the year moves forward and more people become comfortable with going out. LYFT remains well positioned to gain share within the \$1T market while their platform allows them a lot of optionality to expand beyond just ridesharing. Analysts have an average target for shares of \$70 and a Street High \$88. Cowen raising their PT to \$76 on 7/1 citing a recent survey that indicates accelerating Q2 monthly active users, both year-over-year and quarter-over-quarter as consumer mobility ramps in the U.S. Truist also with a positive checks as proprietary credit card and 3rd party data suggest that quarter-to-date business trends have improved materially from last year amidst the re-opening of the economy, even though June could see a sequential slowdown from a tough annual comp. Short interest is 8.88%. Hedge fund ownership rose 5% in Q1. Alkeon Capital a buyer of a new 5M share position.

Hawk Vision:



Hawk's Perspective: LYFT has navigated some legal headwinds well and sets up well here for a continuation above \$62.50 and run at new 1-year highs with a lot of upside above \$68

Confidence Ranking: \$\$