



## FEATURED OPTIONS RADAR REPORT



### Live Nation Bulls Targeting More Upside as Concert Season Takes Shape

**Ticker/Price:** LYV (\$89)

#### Analysis:

**Live Nation (LYV)** with buyers today of 1,650 June \$87.50 calls for \$4.80 to \$5.10 and follows 1,500 October \$67.50 puts sold to open yesterday. LYV has seen buyers of the June \$80 calls recently, over 4000X, and the June \$90 calls with over 2,000 in open interest from buyers as well. Shares have traded well recently back above the 8- and 21-day MA and out of a weekly bull wedge that targets new 1-year highs. A move above \$93.50 has room up to \$110 and LYV one of a handful of 'reopening' plays back above their 2019 range. The \$18B company is one of the more 'pure play' recovery names and shares trades 6X cash with profitability improving and revenue trends expected to be back around 2019 levels by FY22. LYV has seen a surge in concert announcements over the last two weeks as artists return to the road and venues begin booking at full or close-to-full capacity starting next month. LYV noted earlier this month that they've seen M/M growth in ticket sales on TicketMaster since March while Festivals will be a big driver upcoming. They also noted that refund rates are falling as visibility into rescheduled shows improves. LYV has been active consolidating the sprawling US music and entertainment venue space and could potentially get back into deal making as the environment improves. Analysts have an average target for shares of \$76 with a Street High \$100. Wolfe starting at Outperform on 5/13 citing seeing the company poised for a multi-year cycle of strong growth as re-opening accelerates with added benefits of a favorable supply / demand and a structurally stronger margin profile emerging from the pandemic. They also think LYV is positioned to grow market share given its scale and vertical positioning in live entertainment. Short interest is 5.5%. Hedge fund ownership fell 17.5% in Q1. Liberty added another 15.9M shares while Putnam Investments, Light Street Capital, and Hitchwood all adding as well.

#### Hawk Vision:



**Hawk's Perspective:** LYV is a name I like purely as play on the reopening / pent-up demand for experiences theme and sentiment will continue to improve into the Summer season, a re-test of the recent breakout area around \$85 in focus

**Confidence Ranking:** \$\$