

SPOTLIGHT OPTION TRADE



Puts in an Overbought, Overvalued ADAS Leader

TRADE SNAPSHOT

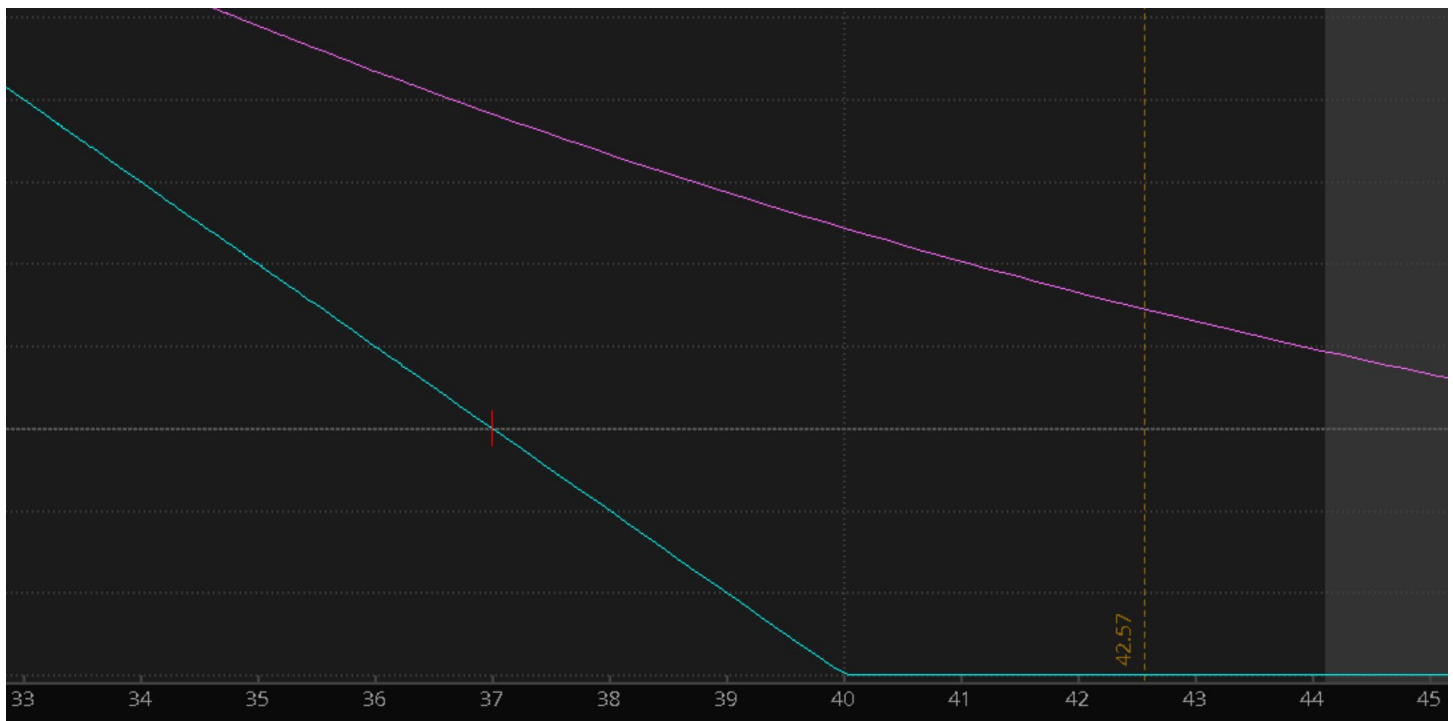
TICKER	MBLY
SECURITY	Mobileye Global
SECTOR	Consumer Cyclical – Auto Parts
CURRENT PRICE	\$47
LONG/SHORT	Short
TARGET	\$35
STOP	\$52
TIMEFRAME	3 Months

Trading Strategy: Long **MBLY** May \$40 Puts at \$3 or Better

Net Debit/Credit: Debit of \$3

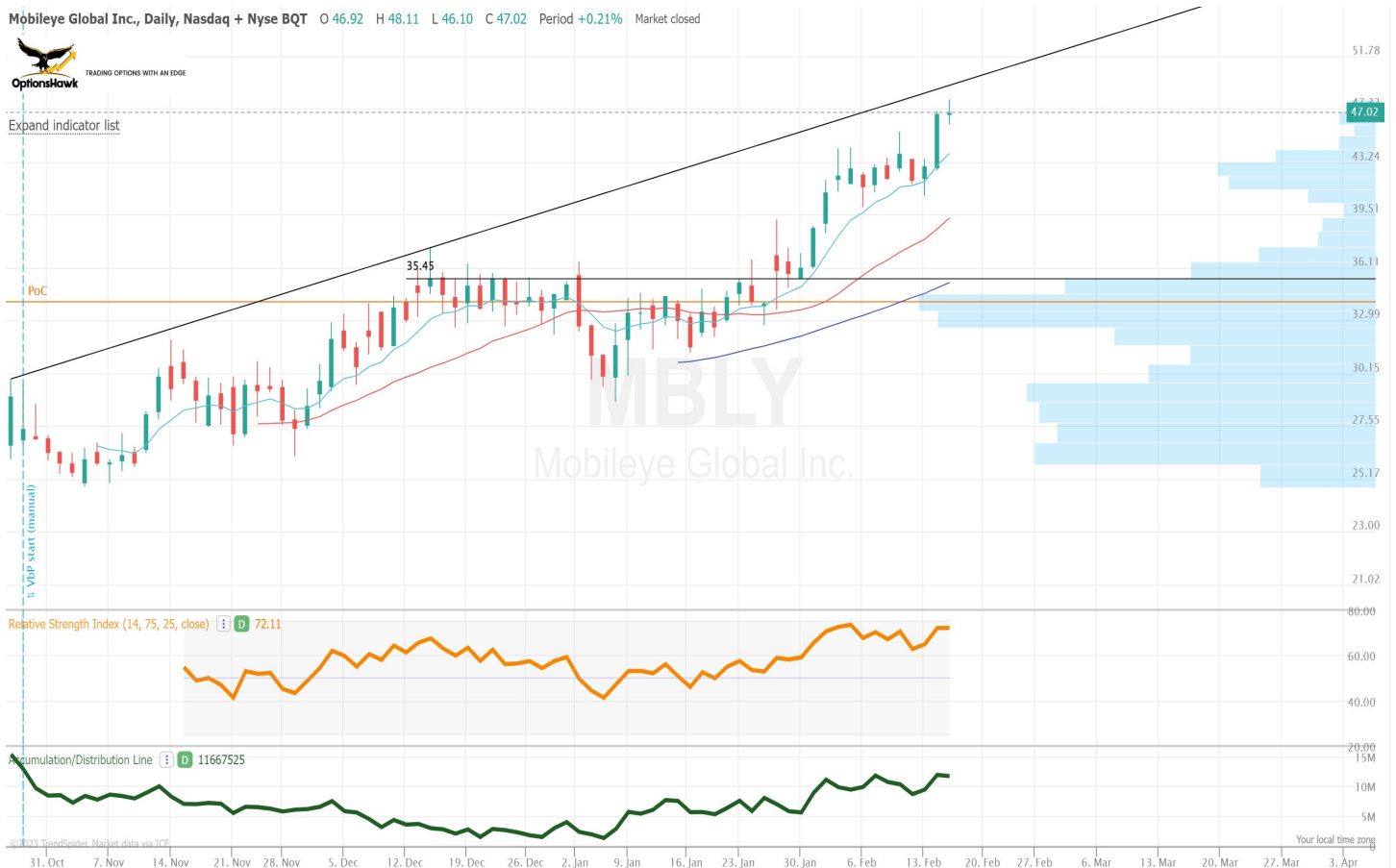
Profitability Zone: MBL Y Below \$37 on May OpEx

Options Volatility / Trade Simulator View:





Technical Analysis: MBLY has strong momentum since its IPO/Spin but potential trend resistance off prior highs coming into play and reaching its measured move from the \$35 breakout. MBLY has plenty of room to retest the key \$35 level with a break under \$41 leading to a volume pocket move lower.



Fundamental Analysis: Mobileye is a leader in the development and deployment of advanced driver assistance systems (“ADAS”) and autonomous driving technologies and solutions. Its portfolio of solutions is built upon a comprehensive suite of purpose-built software and hardware technologies designed to provide the capabilities needed to make the future of ADAS and autonomous driving a reality. MBLY generates the majority of revenue from the sale of EyeQ® SoCs to OEMs through sales to Tier 1 automotive suppliers. Its business performance is related to global automotive sales and automotive vehicle production. MBLY has a market cap of \$39.5B and trades 17X EV/Sales and 57X EV/EBITDA making it one of the richest valuation names in the market with revenues seen rising 20% in 2023 and 29.5% in 2024 while EBITDA seen down 7% in 2023. MBLY will have a lockup expiration on 4/24/23 which could pressure shares. MBLY has a dominant market share but is certain to face increased competition from Qualcomm and Tesla while also subject to a slowdown in auto growth. Analysts have an average target of \$46 with short interest rising to 14% of the float since its debut. Barclays started coverage at Overweight with a \$60 target this week. Baird raised its target to \$50 bullish on the increasing adoption of ADAS while MBLY has strong profitability. Citi has a \$77 target as its top supplier pick with a catalyst rich 2023.

Options Activity:

Date	Ticker	Contract	Volume	Price	OI	Delta	IV	Premium	Last	Current OI	Δ Price %
12-21-2022	MBLY	MBLY 100 19 MAY 23 40 CALL	2,353	\$4.2	91	0.48	62.49%	\$1,011,790	\$9.4	4,020	▼ 123.81%
12-21-2022	MBLY	MBLY 100 19 MAY 23 40 PUT	2,221	\$8.3	8	-0.52	66.06%	\$1,865,640	\$3	3,858	▼ 63.86%
02-02-2023	MBLY	MBLY 100 17 MAR 23 45 CALL	1,422	\$2.5	310	0.44	60.08%	\$369,720	\$3.8	3,183	▲ 52%
01-31-2023	MBLY	MBLY 100 15 DEC 23 45 PUT	200	\$12.1	1	-0.49	63.14%	\$266,000	\$8.8	1,497	▲ 27.27%
12-28-2022	MBLY	MBLY 100 19 MAY 23 35 PUT	432	\$6.2	74	-0.45	66.44%	\$272,160	\$1.65	1,120	▼ 73.39%
12-28-2022	MBLY	MBLY 100 19 MAY 23 35 CALL	618	\$5.1	408	0.56	65.65%	\$327,540	\$12.9	1,075	▼ 152.94%

Potential Catalysts: April 24th Lockup Expiration

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.