Moderna Bulls Position for Positive News Flow, Strong Sales/Profits

Ticker/Price: MRNA ($143.65)

Analysis:

Moderna (MRNA) in afternoon trading on 3/15 with 4500 July $165 calls bought to open $14.45 to $15 and follows 2450 July $170 calls bought on 2/25 and some accumulation in April calls. MRNA shares have been pulling back since early February highs and recently found support right at a 50% retracement of the September-February range as well as VWAP off the September lows, a potential weekly rising channel forming as well that gives shares a lot of room to run after hitting the lower channel as support, the mid-line currently at $160 and upper channel near $200. MRNA will be speaking at the Oppenheimer Conference on 3-16, hosting a Vaccine Day 2021 on 4-14, and a Moderna Science Day 2021 on 5-27. MRNA has been announcing several distribution deals for its COVID-19 vaccine globally and also now studying the next-generation booster version against new variants. MRNA recently announced capital investment to expand its capacity to 1.4 billion vaccine doses for 2022. MRNA currently has a market cap of $56B and forecasts see $16.6B in revenues for 2021 with $11.4B in EBITDA. MRNA has a large portfolio of over 24 medicines in development divided between efforts in infectious disease vaccines, of which several that are entering the later stages of development. MRNA is partnered with Merck evaluating a cancer vaccine for melanoma. Analysts have an average target of $174.25 on shares with short interest low at 4% of the float. Chardan on 3/1 raised its target to $182 expecting positive readouts for the variant trials. Piper is at Overweight with a $208 target estimating $8B in profits for 2022. MSCO boosted its target to $215 in February seeing increasing likelihood for the booster market. Hedge Fund ownership surged 39% last quarter in filings.

Hawk Vision:

Hawk's Perspective: MRNA reward/risk looks real attractive versus $129 is this channel pattern plays out, room to $200.

Confidence Ranking: $$