



FEATURED OPTIONS RADAR REPORT



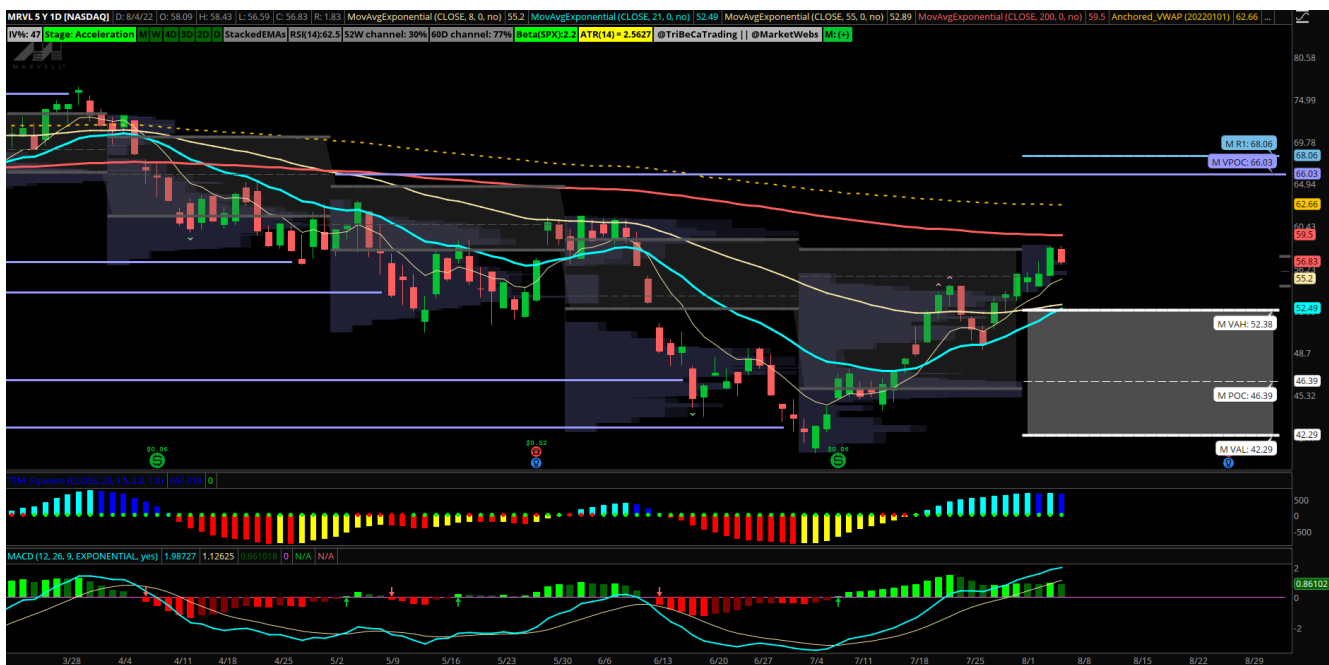
Call Buy in Leading Semi with Cloud Exposure

Ticker/Price: MRVL (\$56.77)

Analysis:

Marvell Technology (MRVL) on 8/3 saw a large buyer for 4,500 September \$57.50 calls at \$4.55, over \$2M in premium. This follows a large October \$55 call buy recently for 2600 contracts bought at \$4.96, over \$1.3M total and overall has 11k in open interest at that strike. MRVL has also seen action in opening put sales the past week in various expirations. The Sept 2nd \$44 puts and \$41 puts sold to open. Shares are trending nicely above the 8/21 EMA which as a bull cross back on 7/19 and prices have since neared the 200 EMA at 59.50 so a potential resistance as many Semi stocks have run up off lows. MRVL can use a dip back to the 21 EMA which lines up close to monthly value high support at 52.50. That level would make sense to see buyers come in for an eventual push to YTD VWAP at 62.50 and potentially the upside target being a naked VPOC at 66. The \$49.5B company trades 22.2x earnings, 8.0x EV/sales, with a FCF yield of +3.9% and a dividend yield of 0.5%. Revenue is seen growing +50% this year and +39% in FY 23. MRVL is expanding capacity and navigating the near-term supply chain headwinds well which positions them to be in a strong position as cloud and data center capex continues to expand. Last month the U.S. House of Representatives has passed legislation that will provide \$52B in grants and incentives for U.S. semiconductor manufacturing. Once passed this is expected to bolster the nation's production of semiconductor chips and positive for the sector long term. Average analyst target is \$83 with a Street high of \$125. Benchmark recently initiated with a Buy rating and \$70 price target citing Marvell has been a transition story over the past several years and the company's primary focus is on becoming a leader in attractive infrastructure end markets, which now account for 88% of total revenue, said the firm, who believes that increased exposure to high-value growth markets within the infrastructure segments should lead to multiple expansion. Short interest is at 1.9%. Hedge fund ownership fell 12%.

Hawk Vision:



Hawk's Perspective: MRVL is nearing the 200 EMA so looking to buy a dip back to 52.50 near the 21 EMA is likely a better risk/reward.

Confidence Ranking: \$\$