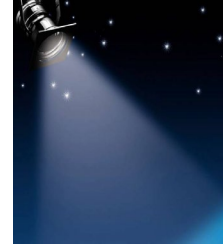


SPOTLIGHT OPTION TRADE



Long Calls in Relative Strength Software Value Play

TRADE SNAPSHOT

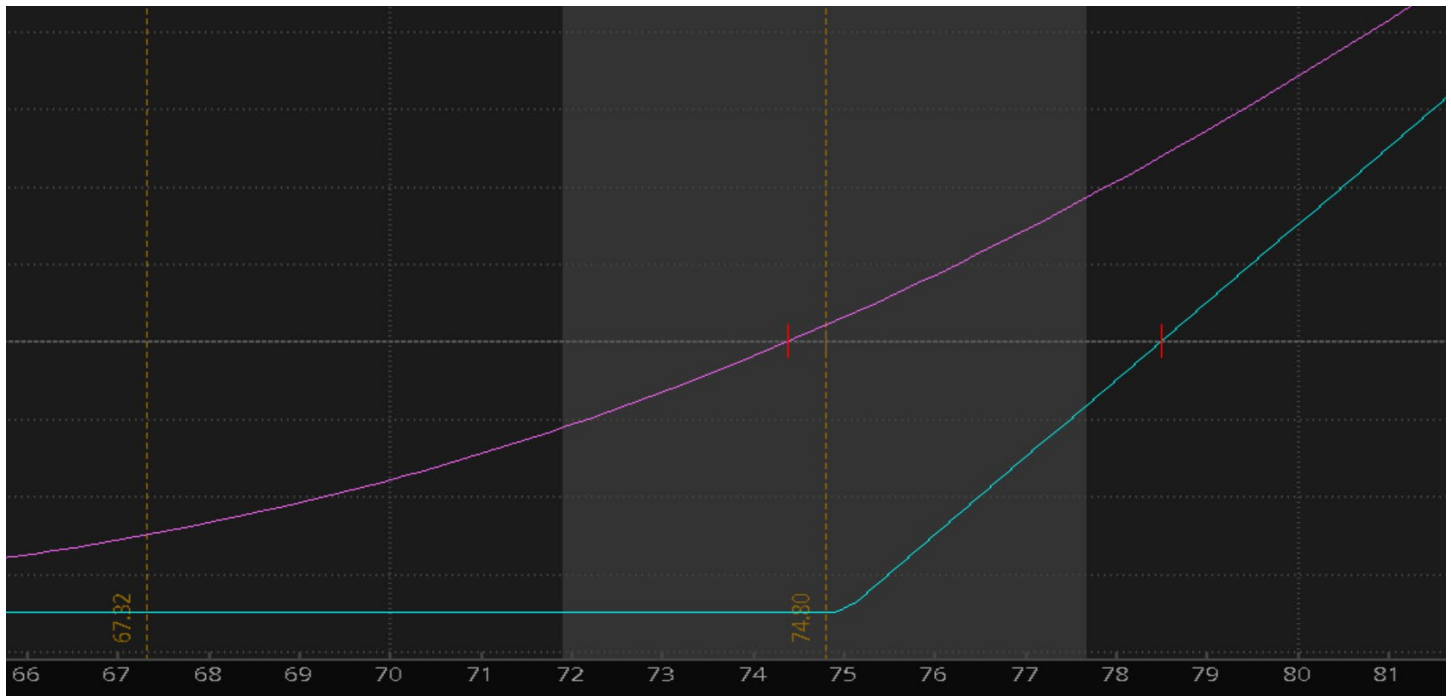
TICKER	ORCL
SECURITY	Oracle
SECTOR	Tech - Software
CURRENT PRICE	\$74.85
LONG/SHORT	Long
TARGET	\$80
STOP	\$69
TIMEFRAME	7 Weeks

Trading Strategy: Long ORCL September \$75 Calls at \$3.50 or Better

Net Debit/Credit: Debit \$3.50

Profitability Zone: ORCL Above \$78.50 on September OpEx

Options Volatility / Trade Simulator View:





Technical Analysis: ORCL pulled back well off late 2021 highs and bottomed right at the 200-week EMA and now shares broke out of a falling wedge while weekly MACD has crossed bullish and a clear target is near \$80 as a 38.2% retrace, VWAP off the highs, and key volume node.



Fundamental Analysis: Oracle is a leading Enterprise IT provider with on-premise deployments, cloud-based deployments, and hybrid deployments across applications and infrastructure. ORCL's \$28.3B deal for Cerner is expected to close in 2022 and shows a strong push into the Healthcare space where software remains in the early innings. ORCL has nearly a \$200B market cap and trades 12.7X Earnings, 5X EV/Sales and with a 6% FCF yield, cheap valuation while having around \$20B in cash. ORCL revenues are seen rising 17.7% in FY23 with 7% EPS growth. ORCL's cloud transition continues and it is delivering strong growth in the cloud while the CERN deal was frowned upon, ORCL has a better growth profile moving forward and likely also will look to cut costs. Analysts have an average target of \$88 with short interest less than 1% of the float. Deutsche bank called result sin June exceptional saying its organic growth is underappreciated and has a \$110 target.

Options Activity:

Date ▾	Ticker	Contract	Volume	OI	Price	Delta	IV	Premium	Last	Current OI	Δ Price
07-25-2022	ORCL	ORCL 100 19 JAN 24 50 PUT	1,406	674	\$2.21	-0.12	34.18%	\$319,162	\$2.24	600	▲ 1.36%
07-21-2022	ORCL	ORCL 100 17 MAR 23 80 CALL	1,507	234	\$5.05	0.42	30.71%	\$761,035	\$5.31	1,735	▲ 5.15%
07-20-2022	ORCL	ORCL 100 16 DEC 22 82.5 CALL	2,006	1,104	\$2.08	0.27	28.75%	\$411,230	\$2.61	2,559	▲ 25.48%
07-15-2022	ORCL	ORCL 100 19 JAN 24 82.5 CALL	1,624	632	\$6.1	0.40	30.77%	\$990,640	\$8.04	2,204	▲ 31.8%
07-14-2022	ORCL	ORCL 100 19 JAN 24 77.5 CALL	512	133	\$7.2	0.45	32.05%	\$391,680	\$7.39	453	▲ 2.64%
07-11-2022	ORCL	ORCL 100 16 DEC 22 60 PUT	1,500	1,035	\$2	-0.19	35.31%	\$301,500	\$1.4	2,611	▼ 30%
07-11-2022	ORCL	ORCL 100 15 SEP 23 62.5 PUT	4,001	87	\$5.05	-0.28	30.31%	\$2,020,505	\$5.2	4,089	▲ 2.97%
07-08-2022	ORCL	ORCL 100 19 JAN 24 72.5 PUT	400	52	\$9.9	-0.44	26.78%	\$400,000	\$0.89	469	▲ 0%
07-07-2022	ORCL	ORCL 100 (Weekly) 29 JUL 22 72 CALL	2,011	154	\$1.66	0.48	25.88%	\$333,826	\$3.17	2,236	▲ 90.96%
07-05-2022	ORCL	ORCL 100 17 MAR 23 77.5 CALL	511	13	\$4.8	0.41	31.6%	\$247,835	\$6.4	692	▲ 33.33%
07-05-2022	ORCL	ORCL 100 16 JUN 23 82.5 CALL	1,412	12	\$4.5	0.36	30.63%	\$656,580	\$5.8	1,142	▲ 28.89%
07-05-2022	ORCL	ORCL 100 16 JUN 23 55 PUT	3,103	86	\$2.75	-0.17	35.24%	\$868,840	\$2.12	2,186	▼ 22.91%
06-29-2022	ORCL	ORCL 100 19 JAN 24 70 PUT	1,248	509	\$9.7	-0.42	29.66%	\$1,210,560	\$7.55	1,226	▲ 22.16%
06-28-2022	ORCL	ORCL 100 16 JUN 23 70 CALL	1,000	60	\$8.7	0.55	32.6%	\$880,000	\$9.05	1,570	▲ 4.02%
06-28-2022	ORCL	ORCL 100 16 JUN 23 67.5 CALL	1,000	6	\$9.75	0.58	33.23%	\$965,000	\$2.12	1,007	▲ 0%

Potential Catalysts: Earnings Mid-September

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.

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