



## ASML Positioning Looks for Upside

**Ticker/Price:** ASML (\$180.65)

### Analysis:

**ASML Holdings (ASML)** with over 700 ITM April \$175 calls opening today between \$12.50 and \$13, trading more than 2X average volume. ASML has 1,280 April \$180 calls in open interest from buyers in late December and the April \$150 calls and July \$170 calls also seeing buyers in late December. Shares are pretty extended as they move back above the 200-EMA for the first time since August and out of a long downtrend. ASML is moving above a big volume node from November above \$178.50 and room back to \$190 and then \$205/\$210. Longer-term, shares remain in a strong uptrend and pulled back to the 50% Fibonacci of the two-year bull run higher. The \$74.26B semi trades 17.6X earnings, 6X sales, and 27X FCF with a 1% yield and 20% EPS growth. ASML expects a pick-up in activity in the second half of the year with growth across EUV orders continuing to ramp and driving long-term upside. Analysts have an average target for shares of \$211.25 with 7 buy ratings, 5 hold ratings, and 1 sell. Liberum upgrading shares to Buy on 2/4 seeing margin expansion in the 2H as they improve yields and efficiency. Citi positive as well on 2/4 noting that semi fundamentals are bottoming and with shipments below demand, setting up for a strong 2H. Barclays positive on 11/30 seeing long-term opportunity given exposure to emerging trends like AI. Institutional ownership rose 12.77%. Fisher Asset Management a notable buyer. Short interest is minimal, less than 1%.

### Hawk Vision:



**Trading Strategy:** ASML is a favored Semi Equipment name, though still uncertain the bottom for the group is definitely in place and for ASML want to see it move back and base near some key moving averages before taking a play.

**Confidence Ranking:** \$\$