

SPOTLIGHT OPTION TRADE



PayPal Basing on Support with Strong Reward/Risk Set-Up

TRADE SNAPSHOT

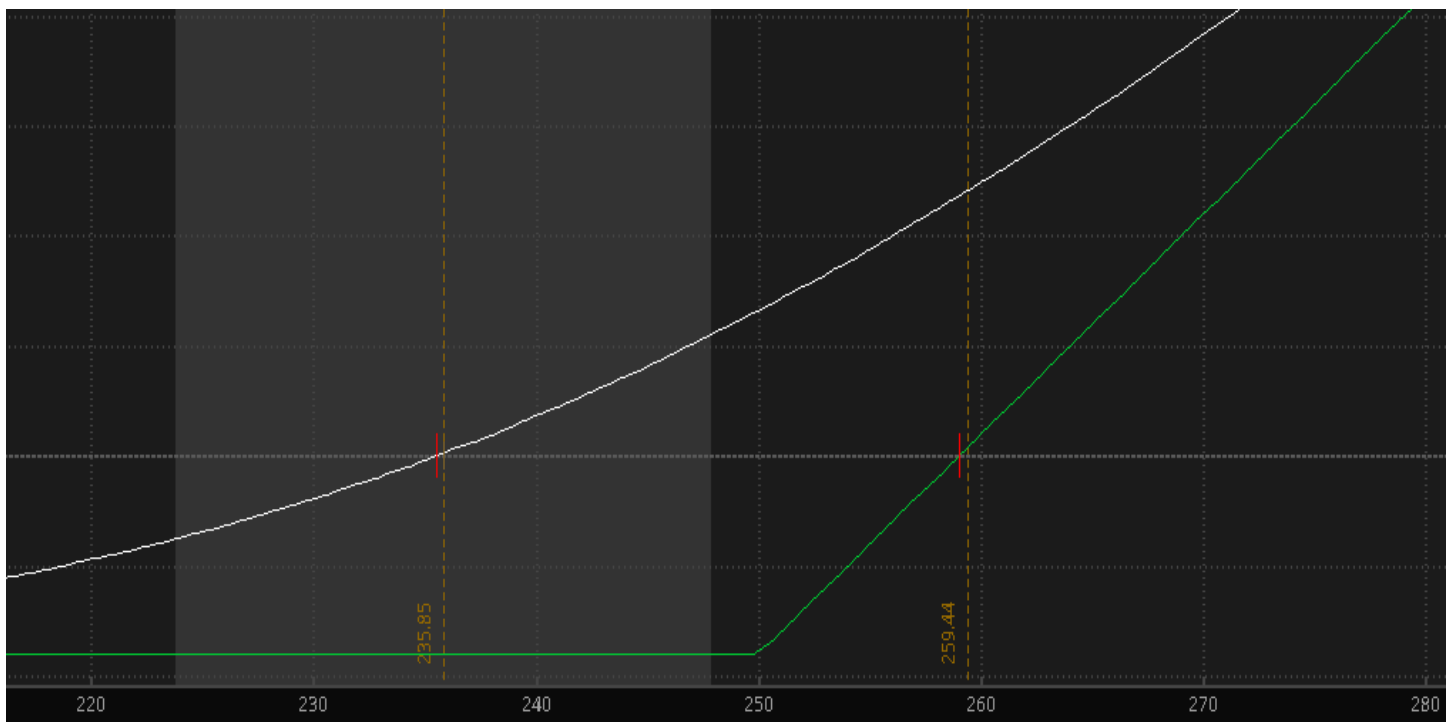
TICKER	PYPL
SECURITY	PayPal
SECTOR	Financial – Payments
CURRENT PRICE	\$235.80
LONG/SHORT	Long
TARGET	\$275
STOP	\$225
TIMEFRAME	1.5 Months

Trading Strategy: Long the PYPL May \$250 Calls at \$9 or Better

Net Debit/Credit: Debit of \$9

Profitability Zone: PYPL Shares Above \$259 on May OpEx

Options Volatility / Trade Simulator View:





Technical Analysis: PYPL has pulled back to a confluence of support with the 21-week moving average, major volume node, 38.2% retracement and VWAP off the November lows. PYPL can slip back to \$205 on a move below the recent low, so an easy one to manage and know if wrong, but RSI back to the 50 Neutral level and shares look to want to put in a bottom.



Fundamental Analysis: The \$268B leader in online payments falls into the category of COVID-era winners set to face tough comps in 2021 but at 41X Earnings, 53.75X FCF and 10.6X EV/Sales its valuation is not exorbitant for a name likely to continue delivering stellar numbers. PYPL forecasts see revenues growing 19.8% in 2021, a modest decline from the 20.7% growth in 2020, and EBITDA seen rising 22.6%, a strongly profitable company. PYPL hit 377M active accounts in 2020 and also is seeing record engagement from customers. PYPL is winning across commerce and digital wallets and sees its addressable market at \$110 Trillion as it continues to expand, targeting \$50B in revenues in 2025 as digital penetration continues to expand. Analysts have an average target of \$305 and short interest is low at 1.1% of the float. SIG recently positive with a \$330 target seeing success in its crypto-currency moves. On 2/16 BTIG raised its target to \$345 expecting PYPL's recent strong growth to not only sustain, but accelerate.

Options Activity:

A	B	C	D	E	F	G	H	I	J	K	L	M	N
Date	Description	Volume	Open.Int	Price	Delt	Impl Vo	Prob.ITM	Premium Pai	Symbol	Current Price	Current OI	Price Change	OI Differential
3/29/2021	PYPL 100 17 JUN 22 210 PUT	250	0	\$23.30	-0.32	35.20%	46.61%	\$582,500	.PYPL220617P210				
3/29/2021	PYPL 100 16 APR 21 250 CALL	5,726	5,546	\$2.93	0.25	38.99%	22.05%	\$1,700,622	.PYPL210416C250				
3/25/2021	PYPL 100 16 JUL 21 200 PUT	1,259	934	\$7.20	-0.22	38.92%	29.33%	\$906,480	.PYPL210716P200	\$5.86	2068	-18.61%	-5.70% F
3/25/2021	PYPL 100 16 APR 21 237.5 CALL	2,007	45	\$6.07	0.4	38.24%	35.90%	\$1,218,249	.PYPL210416C237.5	\$10.70	2303	76.28%	12.23% F
3/25/2021	PYPL 100 16 APR 21 215 PUT	1,810	106	\$3.35	-0.23	41.10%	26.69%	\$606,350	.PYPL210416P215	\$1.90	2415	-43.28%	26.04% F
3/25/2021	PYPL 100 15 OCT 21 230 CALL	1,912	39	\$26.90	0.57	37.76%	45.51%	\$5,191,080	.PYPL211015C230	\$32.05	1400	19.14%	-28.24% F
3/25/2021	PYPL 100 (Weeklys) 1 APR 21 225 PUT	1,017	390	\$2.67	-0.3	40.66%	32.24%	\$294,930	.PYPL210401P225	\$0.92	685	-65.54%	-51.31% F
3/23/2021	PYPL 100 16 APR 21 275 CALL	6,888	119	\$1.00	0.1	34.87%	8.36%	\$702,576	.PYPL210416C275	\$0.64	5784	-36.00%	-17.45% F
3/17/2021	PYPL 100 (Weeklys) 30 APR 21 275 PUT	200	57	\$34.05	-0.75	43.04%	79.74%	\$681,000	.PYPL210430P275	\$32.72	260	-3.91%	1.17% F
3/16/2021	PYPL 100 17 SEP 21 280 CALL	931	446	\$20.20	0.43	42.10%	31.23%	\$1,880,620	.PYPL210917C280	\$10.20	1021	-49.50%	-25.85% F
3/10/2021	PYPL 100 21 MAY 21 270 CALL	5,973	583	\$9.50	0.34	44.52%	26.92%	\$5,674,350	.PYPL210521C270	\$5.30	7117	-44.21%	8.56% F
3/9/2021	PYPL 100 17 SEP 21 195 PUT	514	227	\$10.65	-0.21	44.02%	30.75%	\$547,410	.PYPL210917P195	\$8.10	780	-23.94%	5.26% F
3/8/2021	PYPL 100 21 JAN 22 390 CALL	500	161	\$5.70	0.13	41.76%	6.73%	\$285,000	.PYPL220121C390	\$4.10	262	-28.07%	-60.36% F
3/5/2021	PYPL 100 20 JAN 23 185 PUT	301	72	\$24.92	-0.226	40.81%	42.50%	\$750,092	.PYPL230120P185	\$18.25	536	-26.77%	43.70% F
3/5/2021	PYPL 100 17 SEP 21 280 PUT	1,573	107	\$56.63	-0.631	41.60%	74.23%	\$8,907,899	.PYPL210917P280	\$46.15	1648	-18.51%	-1.90% F
3/4/2021	PYPL 100 17 SEP 21 230 PUT	1,197	1,212	\$27.47	-0.42	43.04%	54.26%	\$3,288,159	.PYPL210917P230	\$20.28	4014	-26.17%	66.63% F
3/3/2021	PYPL 100 17 SEP 21 390 CALL	797	103	\$5.00	0.12	43.92%	6.80%	\$398,500	.PYPL210917C390	\$1.32	926	-73.60%	2.89% F
3/3/2021	PYPL 100 17 SEP 21 350 CALL	738	469	\$8.45	0.2	43.04%	12.02%	\$623,610	.PYPL210917C350	\$2.66	954	-68.52%	-20.96% F
3/3/2021	PYPL 100 17 SEP 21 250 PUT	1,546	637	\$28.75	-0.41	42.49%	53.54%	\$4,444,750	.PYPL210917P250	\$33.25	1914	15.65%	-12.32% F
3/3/2021	PYPL 100 15 OCT 21 220 PUT	500	192	\$16.05	-0.28	43.12%	40.24%	\$802,500	.PYPL211015P220	\$17.30	1903	7.79%	175.00% F
3/2/2021	PYPL 100 16 JUL 21 340 CALL	1,098	137	\$8.54	0.23	42.23%	16.30%	\$960,750	.PYPL210716C340	\$1.55	828	-81.85%	-32.96% F
3/1/2021	PYPL 100 18 JUN 21 270 PUT	4,756	1,153	\$23.37	-0.44	42.00%	52.93%	\$11,114,772	.PYPL210618P270	\$39.23	5761	67.86%	-2.50% F
3/1/2021	PYPL 100 18 JUN 21 270 CALL	5,008	1,219	\$27.20	0.56	43.19%	46.90%	\$13,621,760	.PYPL210618C270	\$7.25	6248	-73.35%	.34% F
2/26/2021	PYPL 100 21 MAY 21 250 PUT	508	173	\$16.95	-0.397	44.96%	48.29%	\$861,060	.PYPL210521P250	\$20.28	1794	19.65%	163.44% F
2/23/2021	PYPL 100 21 MAY 21 260 PUT	1,114	16	\$19.90	-0.41	43.60%	49.92%	\$2,216,860	.PYPL210521P260	\$29.60	2551	48.74%	125.75% F
2/22/2021	PYPL 100 20 JAN 23 300 CALL	2,682	3,759	\$59.00	0.57	44.34%	33.50%	\$15,823,800	.PYPL230120C300	\$27.30	2982	-53.73%	-53.70% F
2/18/2021	PYPL 100 21 JAN 22 280 PUT	400	235	\$43.00	-0.39	43.73%	55.66%	\$1,754,000	.PYPL220121P280	\$59.00	869	37.21%	36.85% F
2/17/2021	PYPL 100 18 JUN 21 440 CALL	1,337	120	\$3.75	0.1	49.24%	6.17%	\$501,375	.PYPL210618C440	\$0.10	1241	-97.33%	-14.82% F
2/16/2021	PYPL 100 20 JAN 23 310 PUT	525	1	\$71.30	-0.39	41.84%	62.69%	\$3,929,625	.PYPL230120P310	\$88.65	340	24.33%	-35.36% F
2/16/2021	PYPL 100 16 APR 21 320 CALL	1,070	308	\$13.60	0.41	42.85%	34.23%	\$1,455,200	.PYPL210416C320	\$0.11	2008	-99.19%	45.72% F
2/12/2021	PYPL 100 21 JAN 22 350 CALL	1,098	461	\$32.88	0.439	43.71%	28.16%	\$3,610,224	.PYPL220121C350	\$6.65	1868	-79.77%	19.82% F
2/12/2021	PYPL 100 16 APR 21 310 CALL	1,717	891	\$15.70	0.453	40.18%	38.76%	\$2,695,690	.PYPL210416C310	\$0.15	4352	-99.04%	66.87% F
2/11/2021	PYPL 100 21 JAN 22 330 CALL	5,203	303	\$32.65	0.45	43.66%	28.86%	\$16,961,780	.PYPL220121C330	\$8.40	3147	-74.27%	-42.84% F
2/11/2021	PYPL 100 20 JAN 23 300 CALL	3,048	1,168	\$63.10	0.59	44.46%	34.75%	\$19,598,640	.PYPL230120C300	\$27.30	2982	-56.74%	-29.27% F

Potential Catalysts: Earnings Late April

Disclaimer:

Not Investment Advice or Recommendation

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