

SPOTLIGHT OPTION TRADE



Upside Calls into Year End on Resilient Consumer Spend Name

TRADE SNAPSHOT

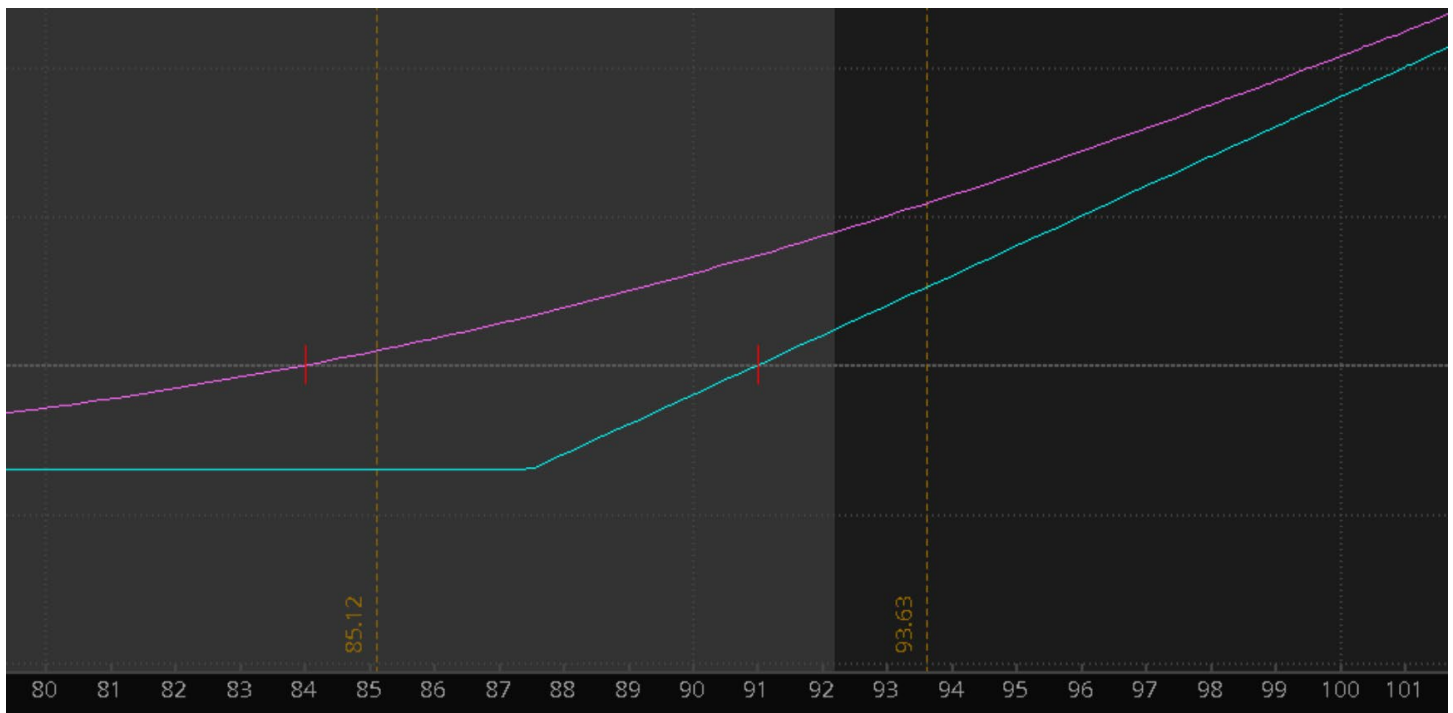
TICKER	SBUX
SECURITY	Starbucks Corp.
SECTOR	Consumer Cyclical - Restaurants
CURRENT PRICE	\$85.20
LONG/SHORT	Long
TARGET	\$95
STOP	\$80.50
TIMEFRAME	2 Months

Trading Strategy: Long SBUX December \$87.50 Calls at \$3.50

Net Debit/Credit: Debit of \$3.50

Profitability Zone: SBUX Above \$91 on December OpEx

Options Volatility / Trade Simulator View:





Technical Analysis: SBUX a more resilient name since mid-August and shares back at the falling 200-MA with a recent dip below some shorter-term moving averages but trend and VWAP support nearby. SBUX needs to clear this consolidation above \$89 to make a run to \$95-\$100.



Fundamental Analysis: SBUX has a market cap of \$95.75B and trades 25.4X Earnings and 3X Sales and we are a month removed from an Investor Day when the company outlined a new era of growth, expansion and higher margins. Forecasts see a long runway for double digit revenue and EPS growth which should support its premium multiple while we continue to see increased travel and strength in consumer spending while traveling as supportive. SBUX recently sold its Seattle's Best Coffee to Nestle and raised the dividend. SBUX also saw insiders buying stock in mid-September. Analysts have an average target of \$97 with short interest low at 1.5% of the float. MSCO raised its target to \$96 in September after the Investor Day was ambitious with accelerating growth seen and Deutsche Bank raised to a \$101 target.

Options Activity:

Date	Ticker	Contract	Volume	Price	OI	Delta	IV	Premium	Last	Current OI	Δ Price %	Δ OI %	Current Value
09-15-2022	SBUX	SBUX 100 17 MAR 23 110 CALL	121,510	\$2.56	83	0.24	30.24%	\$31,835,620	\$0.97	122,215	▲ 62.11%	▲ 0.51%	\$11,854,855
07-21-2022	SBUX	SBUX 100 16 DEC 22 92.5 CALL	99,346	\$2.9	0	0.31	30.01%	\$28,810,340	\$1.79	90,016	▼ 38.28%	▼ 9.39%	\$16,112,864
04-06-2022	SBUX	SBUX 100 16 DEC 22 85 CALL	425	\$6.9	75	0.48	31.32%	\$297,500	\$4.75	61,364	▼ 31.16%	▲ 12172.8%	\$29,147,900
05-23-2022	SBUX	SBUX 100 16 DEC 22 85 CALL	45,945	\$2.99	485	0.30	32.57%	\$14,013,225	\$4.75	61,364	▲ 58.86%	▲ 32.16%	\$29,147,900
06-16-2022	SBUX	SBUX 100 16 DEC 22 85 CALL	11,925	\$2.45	47,732	0.26	35.77%	\$2,969,325	\$4.75	61,364	▲ 93.88%	▲ 2.86%	\$29,147,900
06-29-2021	SBUX	SBUX 100 20 JAN 23 80 PUT	1,355	\$3.55	117	-0.14	28.31%	\$481,025	\$3.6	14,530	▼ 1.41%	▲ 887.09%	\$5,230,800
03-07-2022	SBUX	SBUX 100 20 JAN 23 80 PUT	4,318	\$7.65	4,290	-0.37	31.29%	\$3,303,270	\$3.6	14,530	▼ 52.94%	▲ 68.8%	\$5,230,800
04-28-2022	SBUX	SBUX 100 20 JAN 23 80 PUT	5,100	\$10.7	4,945	-0.58	27.88%	\$5,584,500	\$3.6	14,530	▲ 66.36%	▲ 44.65%	\$5,230,800
01-29-2021	SBUX	SBUX 100 20 JAN 23 100 PUT	510	\$19.5	320	-0.47	28.88%	\$994,500	\$18	13,194	▲ 7.69%	▲ 1489.64%	\$23,749,200
06-15-2021	SBUX	SBUX 100 20 JAN 23 100 PUT	1,850	\$9.35	2,305	-0.32	24.45%	\$1,729,750	\$18	13,194	▲ 92.51%	▲ 217.55%	\$23,749,200
08-27-2021	SBUX	SBUX 100 20 JAN 23 100 PUT	1,800	\$8.45	3,247	-0.29	26.82%	\$1,521,000	\$18	13,194	▲ 113.02%	▲ 161.42%	\$23,749,200
07-12-2022	SBUX	SBUX 100 20 JAN 23 105 CALL	6,500	\$0.68	3,205	0.09	28.9%	\$461,500	\$0.53	11,312	▲ 22.06%	▲ 16.56%	\$599,536
10-07-2020	SBUX	SBUX 100 20 JAN 23 75 PUT	600	\$10.8	5	-0.30	32.19%	\$648,000	\$2.28	10,187	▲ 78.89%	▲ 1583.8%	\$2,322,636
09-20-2022	SBUX	SBUX 100 18 NOV 22 85 PUT	2,704	\$2.57	1,682	-0.28	36.99%	\$708,448	\$3.65	9,533	▼ 42.02%	▲ 117.35%	\$3,479,545
10-14-2022	SBUX	SBUX 100 18 NOV 22 95 CALL	3,633	\$1.6	5,326	0.28	37.16%	\$606,711	\$0.53	8,905	▼ 66.88%	▼ 0.6%	\$471,965
04-13-2022	SBUX	SBUX 100 20 JAN 23 80 CALL	3,007	\$8.6	564	0.55	32%	\$2,586,020	\$9.25	8,525	▲ 7.56%	▲ 138.73%	\$7,885,625
07-12-2022	SBUX	SBUX 100 20 JAN 23 80 CALL	3,300	\$6.7	5,990	0.50	33.74%	\$2,227,500	\$9.25	8,525	▲ 38.06%	▼ 8.23%	\$7,885,625
10-05-2022	SBUX	SBUX 100 18 NOV 22 90 CALL	2,553	\$4.75	3,605	0.53	37.58%	\$1,225,440	\$1.52	8,376	▼ 68%	▲ 36.02%	\$1,273,152
09-02-2022	SBUX	SBUX 100 16 DEC 22 90 CALL	1,524	\$3.56	1,905	0.38	31.8%	\$556,260	\$2.55	6,640	▼ 28.37%	▲ 93.64%	\$1,693,200
08-12-2022	SBUX	SBUX 100 16 DEC 22 87.5 CALL	3,808	\$6.48	105	0.55	30.4%	\$2,468,050	\$3.55	5,829	▼ 45.22%	▲ 48.96%	\$2,069,295

Potential Catalysts: Earnings 11/3

Disclaimer:

Not Investment Advice or Recommendation

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