



FEATURED OPTIONS RADAR REPORT



Sony Bulls Target Strong Run into Year-End

Ticker/Price: SONY (\$98.25)

Analysis:

Sony (SONY) large buyers on 7/1 for 2,000 January 2023 \$110 calls for \$10.40 to open, first notable options trade in the name since February. SONY has size in the January 2023 OTM calls and the January 2022 \$115 and \$120 calls from January. SONY has pulled back on the weekly to trend support from the March 2020 lows and 38.2% Fibonacci of the run as well. A move above \$100 has rom back to \$110 and then ultimately new highs for the name. The \$121.5B company trades 15.3X earnings, 1.5X sales, and 2.87X cash with double-digit growth driven by demand for music, games, and other entertainment content. The company has been undergoing a bigger shift from hardware and electronics towards content and digital subscriptions. They've been active with deals as well and looking at more M&A after agreeing to buy Crunchyroll in December. Sony has seen strong uptake over the last year for their PS5 console and last week noted they expect to break their annual console record in FY22. They continue to benefit from strong software sales and add-on content growth. Analysts have an average target for shares of \$100. Oppenheimer positive on the name as they believe Sony's core growth drivers will recover in FY21 and the pandemic benefits Sony's media assets by accelerating the shift to digital content consumption. Goldman Sachs keeps shares at Conviction Buy as they think PS5 hardware sales will become one of the more successful generations of Sony consoles every and sets the stage to hit 1T in operating profit by FY22. Hedge fund ownership fell 1% in Q1.

Hawk Vision:



Hawk's Perspective: SONY is a favorite name and run above this range at \$101.50 can run back to new highs

Confidence Ranking: \$\$