



## FEATURED OPTIONS RADAR REPORT



### Bulls Active in Payments Co. as Cross Border Travel Recovers

**Ticker/Price:** V (\$216)

**Visa (V)** seeing notable bullish activity in recent weeks including 6500 May \$220 calls with opening buyers on 2/28 for more than \$7M. V has also recently seen January \$240/\$280 call spreads bought 2000X, May \$235 calls with 5000X bought to open, 2000 April \$215 calls bought, and has 4500 June \$220 calls in open interest from buyers. V shares have bounced sharply off lows in November, January and February that came right near its rising 144-week moving average each time and weekly MACD remains in positive territory. V has retraced late January strength the last few weeks but testing back near key volume support and sits on the 55-day moving average and one-year VPOC. Visa is one of the world's leaders in digital payments facilitating payments between consumers and businesses. Consumer Payments, New Flows and Value Added Services are its primary drivers of revenue growth and has positioned itself in the crypto-economy. New flows represents a \$185 trillion volume opportunity by facilitating P2P, B2C, B2B, B2b and G2C payments. V has a market cap of \$455B and trades 25.8X Earnings, 23X EBITDA and 37X FCF with a 0.68% yield and topline growth seen at 19.4% in 2022 with 19.6% EBITDA growth. V is coming off a solid quarter and is a reopening play as cross-border travel recovers. Despite the disruption in Fintech, faster-growth fintech and software companies such as Varo, Shopify, and Toast are employing Visa Direct's capabilities for account-to-account money movement, employee payouts, instant access to funds, and loan disbursements. Analysts have an average target of \$275 with short interest low at 1.4% of the float. MSCO raised its target to \$283 in January and RJF to \$281 seeing guidance as overly conservative. V has a lot of institutional support with funds like Edgewood, Polen, and FundSmith adding more to large positions in Q4.

#### Hawk Vision:



**Hawk's Perspective:** V has a lot of strong positioning and these May \$235 calls look like a solid play for a move to \$250.

**Confidence Ranking:** \$\$