



## FEATURED OPTIONS RADAR REPORT



### Bullish Accumulation in Electric Utility Investing in Clean Energy

**Ticker/Price:** VST (\$25)

#### Analysis:

**Vistra Energy (VST)** a lot of bullish flow recently including the May \$26 calls, 5000 June \$26 calls bought on 4/25 and 17,500 June \$28 calls bought on 4/20. Shares have been in a strong trend since late March after breaking out of a weekly bull flag and now back at the rising 8-EMA. A return above \$26.25 has room to run to \$30 and a move above the big monthly double-top from 2019. The \$10.5B company trades 14.7X earnings and 1.6X sales with a 2.75% yield. VST is a public utility servicing electricity and natural gas to residential, commercial, and industrial customers across 20 states. The company has been shifting focus towards their zero-carbon generation business, Vistra Zero, which aims to generate 7,300 MW of clean energy by 2026. The company is also expanding their solar footprint and energy storage ambitions through new projects like Moss Landing in California. Analysts have an average target for shares of \$25 with a Street High \$27. Guggenheim a bull on the name noting last year that if the turnaround doesn't take hold a reasonable case could be made for a breakup of the company and piecemeal sale of assets to private interests. BAML with a \$28 PT and Buy rating for shares citing improvement in retail margins and an increase in wholesale power prices. Short interest is 4%. Hedge fund ownership fell 3% last quarter. Oaktree Capital with 28M shares. Insiders active in the name as well between \$16 and \$18.

#### Hawk Vision:



**Hawk's Perspective:** VST has been a standout since October and setting up well for a major long-term breakout move with plenty of tailwinds as they shift more towards green energy

**Confidence Ranking:** \$\$