

## SPOTLIGHT OPTION TRADE



### Wynn Resorts Explosive Potential on Trend Break

#### TRADE SNAPSHOT

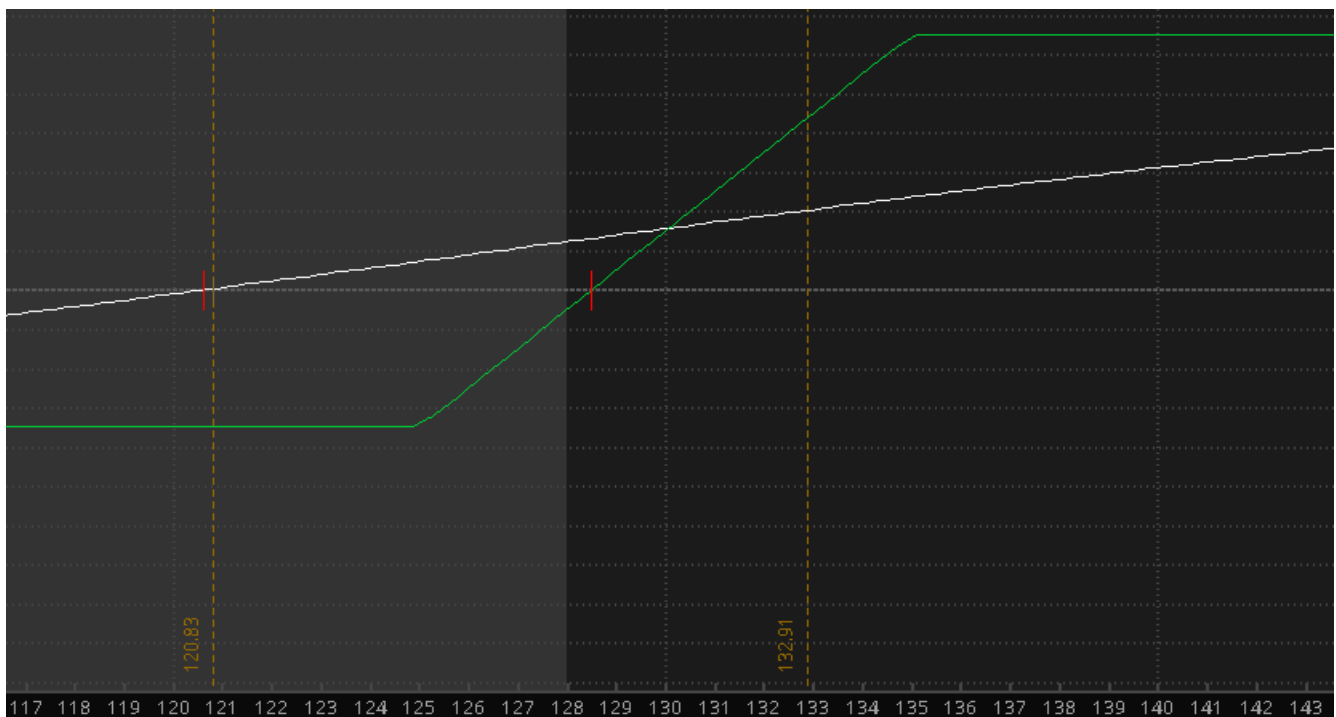
TICKER	WYNN
SECURITY	Wynn Resorts, Ltd.
SECTOR	Consumer Services – Gaming
CURRENT PRICE	\$120.87
LONG/SHORT	Long
TARGET	\$140
STOP	\$112
TIMEFRAME	3 Months

**Trading Strategy:** Long WYNN March \$125/\$135 Call Spreads \$3.50 Debit

**Net Debit/Credit:** Debit \$3.50

**Profitability Zone:** WYNN Shares Above \$128.50 on March OpEx

**Options Volatility / Trade Simulator View:**





**Technical Analysis:** WYNN on the weekly has been channeling down much of 2019 but starting to see bullish indications after holding a key long term trend line multiple times recent action has seen the now rising 50 day moving average supportive and nearing a bullish cross of the 200 day MA.



**Fundamental Analysis:** The \$12.45B casino & resorts company is trading 20X Earnings, 10X FY20 EBITDA, and yields a 3.35% dividend. WYNN is coming off an ugly quarter but now will face a much easier Y/Y comps set-up into Q4 and FY20 which can boost investor sentiment, revenues seen rising 9% and EPS by 40% in 2020. WYNN has the best growth pipeline in the industry as it expands Las Vegas and Boston properties and sees sizeable new opportunities in Japan and Macau. Analysts have an average target of \$133 and short interest at 3.9% of the float is trending downwards to near a multi-year low. JP Morgan was out positive on 12/4 on the Macau stocks with a nice set-up into 2020 with easy comparison and attractive valuations. Hedge Fund ownership fell 30% in Q3 filings as Lone Pine Capital sold a large position while Melvin Capital added a new stock and call option position and Egerton Capital added to a large position.

### Options Activity:

Date	Description	Volume	Open.Int	Price	Delta	Impl Vol	Prob.ITM	Premium Paid	Symbol
12/11/2019	WYNN 100 20 MAR 20 110 PUT	1,000	1,846	\$5.45	-0.3	39.05%	37.99%	\$540,000	.WYNN200320P110
12/10/2019	WYNN 100 (Weeklys) 3 JAN 20 129 CALL	2,579	11	\$0.90	0.19	28.51%	16.87%	\$234,689	.WYNN200103C129
12/5/2019	WYNN 100 19 JUN 20 110 CALL	307	196	\$17.50	0.64	41.47%	52.05%	\$537,250	.WYNN200619C110
12/3/2019	WYNN 100 19 JUN 20 120 CALL	5,505	172	\$11.35	0.49	40.63%	38.09%	\$6,385,800	.WYNN200619C120
12/2/2019	WYNN 100 19 JUN 20 125 CALL	5,869	321	\$12.00	0.5	40.35%	38.33%	\$7,042,800	.WYNN200619C125
11/26/2019	WYNN 100 20 DEC 19 128 CALL	2,708	215	\$1.71	0.29	31.00%	26.06%	\$463,068	.WYNN191220C128
11/20/2019	WYNN 100 20 DEC 19 116 PUT	2,030	8	\$4.75	-0.47	35.83%	51.76%	\$984,550	.WYNN191220P116
11/7/2019	WYNN 100 17 JAN 20 140 CALL	4,675	2,758	\$2.29	0.235	32.16%	19.46%	\$1,070,575	.WYNN200117C140
11/7/2019	WYNN 100 17 JAN 20 135 CALL	1,388	709	\$3.60	0.326	33.10%	27.65%	\$499,680	.WYNN200117C135
11/6/2019	WYNN 100 17 JAN 20 125 CALL	1,979	3,892	\$6.95	0.49	37.68%	42.56%	\$1,464,460	.WYNN200117C125
11/4/2019	WYNN 100 17 JAN 20 125 CALL	2,820	1,130	\$8.60	0.53	38.18%	46.53%	\$2,439,300	.WYNN200117C125
11/1/2019	WYNN 100 17 JAN 20 140 CALL	1,103	1,262	\$2.25	0.232	33.35%	18.77%	\$248,175	.WYNN200117C140
10/28/2019	WYNN 100 20 MAR 20 110 PUT	1,303	1,073	\$7.38	-0.3	42.28%	40.31%	\$964,220	.WYNN200320P110
10/24/2019	WYNN 100 15 JAN 21 105 PUT	504	330	\$15.80	-0.33	41.92%	52.59%	\$801,360	.WYNN210115P105
10/24/2019	WYNN 100 20 MAR 20 105 PUT	618	343	\$7.37	-0.31	42.54%	41.96%	\$466,590	.WYNN200320P105
10/23/2019	WYNN 100 20 MAR 20 110 PUT	1,114	136	\$9.36	-0.37	41.05%	48.26%	\$1,052,730	.WYNN200320P110
10/14/2019	WYNN 100 19 JUN 20 105 PUT	500	137	\$12.75	-0.37	43.28%	52.23%	\$647,500	.WYNN200619P105
10/14/2019	WYNN 100 19 JUN 20 130 CALL	500	399	\$7.60	0.36	39.97%	24.95%	\$382,500	.WYNN200619C130
10/11/2019	WYNN 100 20 MAR 20 110 CALL	2,012	231	\$12.00	0.53	43.54%	42.39%	\$2,424,460	.WYNN200320C110
10/11/2019	WYNN 100 17 JAN 20 100 CALL	1,037	391	\$16.68	0.71	46.02%	62.48%	\$1,736,975	.WYNN200117C100
10/10/2019	WYNN 100 20 DEC 19 115 CALL	9,819	3,457	\$5.35	0.39	43.95%	32.25%	\$5,253,165	.WYNN191220C115
10/8/2019	WYNN 100 17 JAN 20 92.5 PUT	1,002	1,211	\$5.25	-0.28	46.87%	37.58%	\$526,050	.WYNN200117P92.5
10/7/2019	WYNN 100 20 MAR 20 105 CALL	14,890	33	\$12.40	0.56	44.62%	44.81%	\$19,580,350	.WYNN200320C105
10/7/2019	WYNN 100 17 JAN 20 105 CALL	941	320	\$10.20	0.54	45.25%	44.86%	\$941,000	.WYNN200117C105
9/20/2019	WYNN 100 20 DEC 19 115 CALL	1,306	2,449	\$7.55	0.47	40.99%	39.26%	\$992,560	.WYNN191220C115
9/19/2019	WYNN 100 20 MAR 20 115 CALL	2,210	3,028	\$11.30	0.5	41.24%	39.23%	\$2,497,300	.WYNN200320C115
9/12/2019	WYNN 100 20 MAR 20 115 CALL	3,000	47	\$13.90	0.54	40.46%	43.38%	\$4,170,000	.WYNN200320C115

**Potential Catalysts:** Earnings Late January; Monthly Macau Data

## **Disclaimer:**

### **Not Investment Advice or Recommendation**

*Any descriptions "to buy", "to sell", "long", "short" or any other trade related terminology should not be seen as a recommendation. The Author may or may not take positions in any of the names mentioned, and is not obligated to disclose positions, nor position sizes.*

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