



Anaplan Calls Accumulate as Shares Base Above 200 Day Moving Average

Ticker/Price: PLAN (\$49)

Analysis:

Anaplan (PLAN) shares consolidating around YTD VPOC after pulling off of 52-week highs in August and big positioning earlier this week with 4,000 December \$48 calls bought up to \$6.30 to open. PLAN already has some size in December with the \$45 calls bought over 9,000X and spread with the \$55 calls while the \$50 calls have over 4,000 in OI as well. A move above \$50/\$51 and out of this bull wedge has room back up to \$60+ while the longer-term continuation of the trend has room up to \$75. The \$6.13B company trades 17.2X cash and 20.5X EV/sales with 30% revenue growth forecast the next two years. PLAN is a leader in the connected planning space, a growing off-shoot of cloud. PLAN has a significant TAM in the early stages of growth. Their CFO noted at a conference in September they are just now cracking 10-15% of the \$21B space while China adds further potential. PLAN had another strong quarter in August with 46% billings growth with high retention rates. They recently hired a new Chief Growth Officer as well which will focus them on improving the sales force and go-to-market strategy. Analysts have an average target for shares of \$57.25 with 12 buy ratings and 4 hold. Rosenblatt starting at Buy on 9-24 with a \$71 PT. The firm thinks Connected Planning solution is quickly becoming the "next killer app" with its high and quantifiable return on investment. JMP with an interesting note on 9-20 after their checks of website job descriptions led them to believe PLAN may have recently closed a multi-million dollar deal with Amazon (AMZN). Anaplan may have an opportunity to expand in that account to "multiple times the original size." Short interest is 4.3%. Hedge fund ownership rose 143% in Q2. Melvin Capital a top buyer of 3.475M shares while Coatue, Maplelane, and Hitchwood all notable buyers.

Hawk Vision:



Hawk's Perspective: PLAN is rich on valuation but an elite growth name with a ton of potential and looking for move above \$51 to confirm a base breakout.

Confidence Ranking: \$\$