



## FEATURED OPTIONS RADAR REPORT



### Zoom Info Size Call Buyer as Hot IPO Bases

Ticker/Price: ZI (\$42.45)

#### Analysis:

**Zoom Info (ZI)** buyer 1500 September \$45 calls \$5 to \$5.40 right into the closing bell which becomes the most notable position in the newly traded name. ZI last week had an opening sale of 1000 September \$50 calls and 1000 August \$45/\$35 strangles sold to open. ZI shares have retraced the initial IPO surge and finally forming a nice base last week and a key volume node and started this week moving above its 8 day moving average with the 21 day aligning with the ugly candle from 7/13 high as a key level to clear, and RSI looks to be moving out of a downtrend. ZoomInfo is a leading go-to-market intelligence platform for sales and marketing teams. Its cloud-based platform provides highly accurate and comprehensive information on the organizations and professionals they target. This “360-degree view” enables sellers and marketers to shorten sales cycles and increase win rates by delivering the right message, to the right person, at the right time, to hit their number. Its go-to-market intelligence platform delivers comprehensive and high-quality intelligence and analytics on over 14 million companies, including advanced attributes, technologies used by companies, intent signals, and decision-maker contact information. It estimates a TAM of \$24B. ZI operates a 99% subscription business with more than 14,000 customers and a > 10X LTV/CAC ratio. ZI generated 103% revenue growth in 2019 and 50% growth expected in 2020. It also expects to be profitable each quarter in 2020 and has impressive FCF margins. ZI shares trade at a premium valuation of 22X FY20 EV/Sales. On 6/29 CSFB started coverage at Outperform with a \$60 target as a clear leader in Go-To-Market (GTM) Intelligence Solutions, which is being redefined by data analytics and cloud scale. It estimates ZI penetration of this \$20B+ market at less than 5% leaving a long runway for growth. Mizuho started shares Buy with a \$63 target expecting the company to sustain strong revenue growth and operating margins. BAML started shares Buy with a \$60 target seeing it way ahead of customers due to its use of machine learning and AI with a continually updated database and sees premium valuation warranted given the customer economics, strong competitive moat, and large addressable market.

#### Hawk Vision:



**Hawk's Perspective:** ZI recent weakness looks to be an opportunity and despite the valuation, the long runway for growth makes it a name that can become a true force in Tech.

**Confidence Ranking:** \$\$