



## FEATURED OPTIONS RADAR REPORT



### In-Mode Bulls Position for Return of Momentum

Ticker/Price: INMD (\$30)

#### Analysis:

**In-Mode (INMD)** strong early and buys 350 ITM August \$25 calls for \$6, and previously seen bullish positioning in November with over 4000 of the \$25 puts sold to open and buyers of the \$30/\$40 and \$35/\$40 call spreads active back in early June. INMD the past few weeks pulled back to a rising 55 MA and former breakout before basing, setting up very nicely now as it starts to work out of the base and pullback trend. The \$995M maker of minimally-invasive aesthetical medical products using RF for procedures like liposuction and body contouring. The company markets minimally invasive medical devices within the women's health and aesthetics market with a focus on deep subdermal RF, collagen remodeling, and skin tightening. INMD is a leader in RF energy which they use for a variety of procedures including assisted lipolysis or fat reduction. They can generate a much more focused, efficient energy system than a laser and the result is significant shrinkage of tissue. Their BodyTite platform and FaceTite handpiece have been used in over 55,000 successful procedures. They also used subdermal RF for wrinkle reduction, skin tightening, and cellulite reduction where they can reshape tissue under the epidermis. On the non-minimally invasive side they use intense pulsed light (IPL) in procedures like permanent hair removal. INMD has 18 FDA approvals in the US and widespread approval in EU, Argentina, Brazil, and more. INMD expects to continue studies and expand indications for use across muscle restoration, post-partum, snoring treatments, and dry eye. The global aesthetics market is sizable with US consumers spending \$8.5B on more than 7.5M procedures last year. According to the ASAPS, procedure volumes were up 6% with surgical up 11% and non-surgical up 4%. The biggest areas of interest were liposuction, eyelid surgery, abdominoplasty, face and neck lifts, and women's health. Facial rejuvenation and hair removal are the top noninvasive markets. INMD sees secular tailwinds going forward from an aging global population, growing instances of obesity, reduction of procedure costs, and better reimbursement from managed care. They expect to grow within the non-traditional physician channels like ENTs, ophthalmologists, GPs and aesthetic clinicians. INMD trades 6X Sales and has a clean balance sheet while growing revenues 87% and 56% the last two years before a recent COVID slowdown in elective procedures, temporary. Analysts have an average target of \$39 and short interest at 11% of the float is down 59.5% Q/Q. Barclays raised its target to \$48 in February though analysts have been quiet the last few months. Hedge Fund ownership surged 54% last quarter.

#### Hawk Vision:



**Hawk's Perspective:** INMD is a favorite growth med-tech name and love the set-up and future potential, good long versus last week low.

**Confidence Ranking:** \$\$