



## FEATURED OPTIONS RADAR REPORT



### Bulls Active in Angie's into Q&A Event

**Ticker/Price:** ANGI (\$16.75)

#### Analysis:

**ANGI Homeservices (ANGI)** with 5000 August \$20/\$15 bull risk reversals opening at a \$0.05 credit on 7/15 and follows recent size August \$12.50 synthetic long positions opened 10,000X. ANGI has also seeing 5000 August \$22.50 calls sold in spreads with July and most all of its open interest sits in August, earnings scheduled for the first week of August. The \$7.85B operator of a digital marketplace for home services that connects customers with professionals is trading 4.7X FY21 EV/Sales and sees revenues growing 5.5% in FY20, a tough environment, and then rising 25% in 2021 while also set to turn profitable. ANGI is seeing strong demand for home improvement services and many consumers utilizing stimulus money to enhance their homes. ANGI and IAC are hosting a Q&A with business leaders on 7-16 as a potential catalyst. Analysts have an average target of \$14 on shares and short interest is extremely high at 68% of the float though likely an arbitrage strategy with parent IAC's ownership stake. Needham raised its target to \$17 in June seeing expectations too low as homeowners reallocate spending to home improvement from experiences and sees a nicely brewing long-term payments narrative as well as optionality to drive incremental traffic. It does note competition from Google. Wedbush raised its target to \$15 earlier this week after commentary from Home Depot and Lowe's, seeing strength in home improvement driving ANGI numbers higher. Goldman raised its target to \$16.80 with a Buy rating seeing a faster growth profile. JPM raised its target to \$18 based on recent traffic data suggesting a strong May-June period. Hedge Fund ownership rose 5.8% in Q1 filings.

#### Hawk Vision:



**Hawk's Perspective:** ANGI is a developing leading growth story and see plenty of upside potential for its business, positioned perfectly for this environment.

**Confidence Ranking:** \$\$