



FEATURED OPTIONS RADAR REPORT



MongoDb LEAPS See Further Upside as Company Tackles Massive TAM

Ticker/Price: MDB \$245.75

Analysis:

MongoDb (MDB) with an opening sale of 1,000 Jan. 2022 \$150 puts on 10/22 for \$13.10, a more than \$1.3M trade, and follows buyers recently in the Jan. 2022 \$270 calls for \$2M and the Nov. \$250 calls for \$2.8M. MDB has a lot of sizable upside calls in OI including the Sept. 2022 \$350 and Jan. 2022 \$270 calls from July. Shares broke out of a weekly bull flag earlier this month and pulling back to back-test the former resistance at \$245. A run higher targets the longer-base breakout of \$305. The \$14.6B software company trades 15X cash and 29X EV/sales with 25% to 30% growth. MDB is a leading cross-platform document-oriented database and popular tool for modern apps. They also have their Atlas program which is a global cloud database used with AWS, Azure and GCP. They're coming off a strong quarter with 39% revenue growth and 41% subscription revenue growth with Atlas continuing to gain share. MDB continues to see massive opportunity to grow as well. IDC projects the database market to be \$71 billion in 2020 growing to \$97 billion in 2023. MDB has less than a 1% share of this market, long runway for growth. Analysts have an average target for shares of \$250. FBN starting coverage at Buy recently with a \$260 PT. They think the company's hosted multi-cloud solution continues to grow well and sees Atlas rising from 44% of revenue last quarter to over two-thirds of revenue by the end of FY23. They also note that nonrelational databases have several advantages over relational ones, including being better at handling "Big Data" and offering better scalability and security. Short interest is 14.2% and flat on the year. Hedge fund ownership rose 5.5%.

Hawk Vision:



Hawk's Perspective: MDB has long been a name we've highlighted positively and the current pullback creates a nice risk/reward for continuation out of this weekly flag

Confidence Ranking: \$\$