



## FEATURED OPTIONS RADAR REPORT



### Upwork OTM Calls Hot as Post-Earnings Momentum Gains Strength

**Ticker/Price:** UPWK (\$34)

#### Analysis:

**UpWork (UPWK)** buyers active today for 5,500 January \$40 calls up to \$2 to open and follows 2,250 April \$35 calls bought around \$5.20 on 11/16. Shares are working off the rising 21-MA and consolidating just below new highs with a measured move short-term out to \$42. The \$4.25B company trades 10X EV/sales with mid-20% growth. UPWK has grown into the world's largest work marketplace by GSV and seeing record adoption in Q3 as more businesses look to remote work solutions. UPWK has seen strong growth in 2020 as their offering gives large companies more flexibility, accelerates time to market on projects, and allows them to invest in highly-specialized labor. UPWK has shifted a lot of their sales force in recent months towards their Enterprise plan and catalysts into early 2020 as they launch new products like Virtual Talent Bench and Project Catalog, the latter a curated collection of projects which will officially move out of beta in February. UPWK continues to execute well on platform upgrades and expanding SEM on mobile and better international reach positions them for continued records on the client adds side in 2021. Analysts have an average target for shares of \$22 with a Street High \$42 from BTIG. The firm positive on 11/18 noting that even with the boost from COVID, online staffing today is at levels where online retail was 10 years ago, and investors should see many years of growth. Short interest is 4.15%. Hedge fund ownership rose 7.85 in Q3, Hawk Ridge Capital a top holder and adding to their stake.

#### Hawk Vision:



**Hawk's Perspective:** UPWK should continue to see upward drift and sets up as a multi-year growth story while also likely to close the performance gap with **FVRR**.

**Confidence Ranking:** \$\$