



FEATURED OPTIONS RADAR REPORT



Velodyne Call Buyers Look for New Highs

Ticker/Price: VLDR (\$21.30)

Analysis:

Velodyne (VLDR) buyers active today in the February \$22.50 calls with over 2,000 trading up to \$3.40 now in the afternoon. VLDR has seen a lot of activity lately including 7500 January \$20 calls bought since 12/8 and 2,000 March \$30 OTM calls bought on 12/4. Shares are flagging nicely above the 8-EMA with a breakout above \$22 and value-area for the year setting up well for run back at the August highs near \$30. The \$3.5B company trades 45X sales and 11.7X cash with 50% sales growth expected in FY21 and accelerating to 62% in FY22. VLDR is a leading developer of both solid-state and rotational LiDAR tech, a key component to development of ADAS systems and autonomous vehicles. VLDR has a wide end-market reach with usage growing outside of automotive as ASPs fall including areas like warehousing applications, advanced mapping, and last-mile delivery. They are targeting 9M units shipped by 2025 as they scale up manufacturing and expand into new products like hemispherical architectures and software. Analysts have an average target for shares of \$26 and a Street High \$30 from Needham. The firm started coverage on 12/15 noting that VLDR has a growing customer base, first-mover advantage in a big category, and plenty of projects in the pipeline to drive long-term growth. Short interest is 7%. Hudson Bay Capital a notable buyer of stock last quarter, 3M shares.

Hawk Vision:



Hawk's Perspective: VLDR is one of the more intriguing recent SPACs as LiDAR a theme I have been discussing for a few years now and TDY been the only play, and not a pure-play, so liking the potential long-term upside in a name like VLDR.

Confidence Ranking: \$\$