



## FEATURED OPTIONS RADAR REPORT



### Bulls See Cyber Security Leader Regaining Momentum into Mid-Year

**Ticker/Price:** CRWD (\$219)

#### Analysis:

**CrowdStrike (CRWD)** bullish flow today with shares working out of a multi-week base. Early in the session, we saw over 2,200 June \$155 puts being sold to open from \$4 down to \$3.85 and later size buyers of 1,450 June \$240 calls from \$13.55 to \$13.90. CRWD also had 975 July \$145 puts sold to open \$3.90 this morning. CRWD has had buyers of the September \$220 calls recently, over 1700X, while the September \$170 puts sold to open 1000X on 3/10 for \$2.15M. The current base breakout has room up to \$250 and the November breakdown. Longer-term, CRWD pulled back to the 50% retracement of the 2020/2021 rally and a continuation above the prior highs can extend out to \$350. The \$46.2B company trades 23X cash and 22.5X EV/sales with 48% growth in FY23 and 35% in FY24. CRWD is a leading provider of solutions for endpoint and cloud workload security. CRWD is coming off of a strong quarter with record operating margins and FCF while the company raised guidance as they have confidence in better execution for the year. The company is seeing better retention rates as well while some of their non-endpoint modules continue to gain traction. CRWD continues to have a long runway for growth and raised their outlook in December for the core endpoint security market now seeing \$67B TAM opportunity by 2024 and up to \$116B through future expansion with new products. Analysts have an average target for shares of \$265 with a Street High \$339. BTIG upgrading to Buy in early March after earnings noting that the quarter was good but the game-changer was the incremental disclosure illustrating real traction in tangential markets outside of core endpoint security. With tangential products currently contributing over 15% of annual recurring revenue and growing in excess of 100% year-over-year, the firm sees hard evidence of a second and even third leg to the story emerging which supports their long-term growth profile. Short interest is 6.5%. Hedge fund ownership fell 6%. Tiger Global remains a top five holder with 7.5M shares while Whale Rock Capital also a top holder with 3M shares and adding last quarter.

#### Hawk Vision:



**Hawk's Perspective:** CRWD has run a bit recently and a re-test of this breakout and the 8-EMA sets up a nice risk/reward for a great looking long-term chart that can pick up momentum back towards those prior volume nodes from late 2021

**Confidence Ranking:** \$\$