

## SPOTLIGHT OPTION TRADE



**Tableau Triggers Technical Sell Signals, Subscription Transition Complete, Growth Deceleration and Lack of New Business Momentum a Concern**

### TRADE SNAPSHOT

| TICKER        | DATA                        |
|---------------|-----------------------------|
| SECURITY      | Tableau                     |
| SECTOR        | Tech – Application Software |
| CURRENT PRICE | \$117.88                    |
| LONG/SHORT    | Short                       |
| TARGET        | \$105                       |
| STOP          | \$126                       |
| TIMEFRAME     | 1 Month                     |

**Trading Strategy:** Long the DATA February \$115 Puts at \$5.50 or Better

**Net Debit/Credit:** Debit of \$5.50

**Profitability Zone:** DATA Shares below \$109.50 on Feb. OpEx

**Greeks:** Delta -40; Gamma 2; Vega 13; Theta -11

**Options Volatility / Trade Simulator View:**





**Technical Analysis:** DATA shares are triggering both a weekly RSI break after showing bearish divergences and a weekly MACD bear crossover. Shares are threatening to break the 50 day MA here as well.



**Fundamental Analysis:** The \$10B software Co. trades 73.1X Earnings, 82.15X FCF and 9.1X FY18 EV/Sales. DATA has been transitioning to a subscription model and posted explosive Y/Y revenue growth rates the last three quarters but for Q4 sees just 8.9% growth. Analysts have an average target of \$125.20 on shares and short interest is at 5.2% of the float. The Street was mostly bullish after last quarter's report but Jefferies with a \$100 target questioned new customer growth. There have been indications in surveys that enterprises did cut back on spending in Q4 and DATA could see a slowdown while also facing increased competition from Microsoft. Hedge Fund ownership rose 6% in last quarter's filings, Coatue and TimesSquare taking new positions.

**Options Activity:** DATA does have 10,000 April \$120 calls bought in open interest but more recently have seen large call sales suggesting limited upside.

| Date       | Description                           | Volume | Open.Int | Price   | %Change | Delta | Impl Vol | Prob.ITM | Premium Paic | Symbol          |
|------------|---------------------------------------|--------|----------|---------|---------|-------|----------|----------|--------------|-----------------|
| 1/7/2019   | DATA 100 15 FEB 19 125 CALL           | 2,919  | 12       | \$8.75  | -3.95%  | 0.53  | 56.89%   | 45.13%   | \$2,743,860  | .DATA190215C125 |
| 12/28/2018 | DATA 100 (Weeklys) 1 FEB 19 120 CALL  | 3,412  | 0        | \$6.80  | N/A     | 0     | #ERROR!  | 0.00%    | \$2,320,160  | .DATA190201C120 |
| 12/21/2018 | DATA 100 (Weeklys) 25 JAN 19 120 CALL | 3,176  | 0        | \$6.15  | N/A     | 0.49  | 48.49%   | 42.60%   | \$1,953,240  | .DATA190125C120 |
| 12/20/2018 | DATA 100 18 JAN 19 125 CALL           | 2,001  | 1,938    | \$3.50  | -50.70% | 0.35  | 48.03%   | 29.86%   | \$780,390    | .DATA190118C125 |
| 12/19/2018 | DATA 100 (Weeklys) 25 JAN 19 125 CALL | 1,595  | 5        | \$7.20  | 19.01%  | 0     | #ERROR!  | 0.00%    | \$1,148,400  | .DATA190125C125 |
| 12/18/2018 | DATA 100 18 JAN 19 125 CALL           | 1,599  | 359      | \$5.16  | 9.79%   | 0.46  | 45.78%   | 40.67%   | \$825,084    | .DATA190118C125 |
| 12/12/2018 | DATA 100 18 JAN 19 140 CALL           | 351    | 131      | \$3.20  | -4.76%  | 0.31  | 41.84%   | 26.60%   | \$112,320    | .DATA190118C140 |
| 11/30/2018 | DATA 100 18 JAN 19 135 CALL           | 684    | 54       | \$3.50  | 79.49%  | 0     | #ERROR!  | 0.00%    | \$239,400    | .DATA190118C135 |
| 11/21/2018 | DATA 100 18 JAN 19 110 CALL           | 746    | 485      | \$7.40  | 54.17%  | 0.48  | 43.43%   | 41.31%   | \$514,740    | .DATA190118C110 |
| 11/21/2018 | DATA 100 18 JAN 19 95 PUT             | 746    | 298      | \$2.80  | -24.53% | -0.23 | 47.53%   | 29.08%   | \$246,180    | .DATA190118P95  |
| 11/9/2018  | DATA 100 18 APR 19 120 CALL           | 5,004  | 26       | \$11.10 | -13.95% | 0.51  | 39.10%   | 40.28%   | \$5,554,440  | .DATA190418C120 |

**Potential Catalysts:** Earnings 2/5/19

## Disclaimer:

### Not Investment Advice or Recommendation

*Any descriptions "to buy", "to sell", "long", "short" or any other trade related terminology should not be seen as a recommendation. The Author may or may not take positions in any of the names mentioned, and is not obligated to disclose positions, nor position sizes.*

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