



## FEATURED OPTIONS RADAR REPORT



### Bulls Position for Urban Outfitters Revival

**Ticker/Price:** URBN (\$37.30)

#### Analysis:

**Urban Outfitters (URBN)** on 4/16 with a large buy of 8000 June \$37 calls to open at \$3.20 and follows recent buys of 2500 June \$38 calls. URBN shares are forming a weekly bull flag above the 8-week moving average with breakout potential above \$39. URBN is a leading lifestyle products and services company that operates a portfolio of global consumer brands comprised of the Anthropologie, Bhldn, Free People, FP Movement, Terrain, Urban Outfitters, Nuuly and Menus & Venues brands. Nuuly is a monthly women's apparel subscription rental service that launched on July 30, 2019. URBN currently has a \$3.6B market cap and trades 17.6X Earnings, 1.04X Sales and 28.3X FCF with a debt-free balance sheet and a good amount of cash. URBN forecasts see revenues jumping 22.7% in FY22 with EBITDA rising 260%. URBN spoke at the BAML Retail Conference last month noting improving performance at stores while digital is showing strong performance. Analysts have an average target of \$38.50 with short interest at 7% of the float down 50% Q/Q. URBN was out with a positive sales update on 4/12. TAG raised its target to \$45 on 4/13 seeing easing comps, new management opportunities, and pent-up demand for "going out" apparel. MSCO raised its target to \$44 after the preannouncement and Barclays to \$47 seeing an attractive entry point. Hedge Fund ownership rose more than 8% in the latest filings.

#### Hawk Vision:



**Hawk's Perspective:** URBN has a nice chart set-up and has always been a favored retail name, seems there is plenty of room to run to \$45.

**Confidence Ranking:** \$\$