



FEATURED OPTIONS RADAR REPORT



Interactive Calls Position for Upside into Vimeo Spin-Off

Ticker/Price: IAC (\$248.7)

Analysis:

Interactive Corp (IAC) on 3/22 with a buyer of 1250 May \$250 calls for \$2.55M as April \$220 adjusted and also saw some April short calls roll to 2000 May \$290 short calls that were part of bull spreads, the April \$230 calls still in open interest 2000X and 1500 of the April \$250 calls bought on 3/3. The activity comes ahead of IAC hosting an Investor Day for Vimeo on 3/24. IAC shares have held strong never breaking under the rising 55-day moving average and starting this week working out of a long basing pattern, setting up for a potential run to \$280. In December IAC approved a plan to spin-off its full stake in Vimeo, the world's leading video software company. The move follows its spin-off of Match (MTCH) and increases the likelihood of IAC searching for more deals. In February IAC acquired Care.com, the leading online destination for families to easily connect with caregivers for their children, aging parents, pets and homes and for a wide variety of caregivers to easily connect with families. In August IAC acquired a 12% stake in **MGM** for \$1B as it sees an attractive online gaming market. IAC continues to hold stakes in ANGI Homeservices, Dotdash, and Ask Media Group and it is now posting monthly metrics across its segments. Analysts have an average target of \$260 and short interest is low at 2% of the float. Citi increased its target to \$285 on 2/9 also noting its investment in Turo. OpCo raised its target to \$265 on 2/5 seeing IAC likely to target further acquisitions related to Dotdash or online betting. Wedbush with a \$262 target sees the Vimeo spin-off completing by the end of Q2 and unlocking value. Hedge Fund ownership fell 3% in the latest quarter filings, Durable Capital adding to its position as did Shawspring.

Hawk Vision:



Hawk's Perspective: IAC continues to be one of the lower stress owns in Tech, a strong management team always identifying opportunities and creating value for shareholders.

Confidence Ranking: \$\$