



## FEATURED OPTIONS RADAR REPORT



### Intuit Bull Sees Continued Strength for Software Leader

**Ticker/Price:** INTU (\$450)

#### Analysis:

**Intuit (INTU)** buyer of 600 January 2023 \$450 calls for \$63.70 to \$63.80 in stock replacements, near \$4M and same spot where 100 were bought yesterday. Today's flow follows sells recently in the January \$440 and \$360 puts. Shares are hitting new multi-year highs today and name that has trended well since the March 2020 lows. The current range breakout from February-to-May has upside to \$475 and the rising 21-day MA is back around the \$425 level and key support from the prior range. The \$120B company trades 42X earnings, 10.8X EV/sales, and 29X cash with a small yield. INTU is projecting mid-teens growth in both FY22 and FY23. INTU is coming off of a strong tax season and they continue to make significant strides in gaining share among under-penetrated groups like Latinx, Self-Employed, and Investors. INTU outlined five 'big bets' in 2020 that they continue to see building momentum and driving growth forward including expanding TurboTax Live to grow engagement, targeting more SMB and first-time business owners who are transitioning online, and disrupting the mid-market price tier. INTU also is looking to leverage their acquisition of Credit Karma to help build out a much broader, full-service customer portal. Analysts have an average target for shares of \$465 with a Street High \$540 from Barclays who was positive last week as the company moves closer to the 30% run-rate from pre-COVID. Wells Fargo with a \$510 PT given a series of meaningful product cycles in motion across all major segments of the business and the firm would be a buyer of any post-tax season rotation, ahead of the annual Investor Day event later this year. Hedge fund ownership fell 2%, Pointstate Capital a big add of \$127M.

#### Hawk Vision:



**Hawk's Perspective:** INTU is a best-in-class name and always in focus on dips, especially with flows out to Jan. 2023; shares held nicely today at the 8-EMA and can make a nice short-term run here up to \$475

**Confidence Ranking:** \$\$