



FEATURED OPTIONS RADAR



Bulls Position for Upside Connections in Social App Name with Improving User Trends

Ticker/Price: MTCH (\$36.41)

Analysis:

Match Group (MTCH) is seeing some increasing bullish flow the past month after putting in a large bottom after its last earnings report in early November and on 12/13 saw a large stock tied buyer 2000 Feb \$32.50 married puts at \$2.24, and the next day a buyer of 1600 February \$40 calls at \$0.95 that remain in open interest and up 34% now. Last week also saw large opening seller of 10,000 January 26th \$32 puts at \$0.21, low delta put sales confident in dips finding support. MTCH also in November saw 2000 February \$35 calls buy for \$1.79 and buyers of 3500 January \$32.5/\$50 call spreads that remain in open interest now having tripled. The January 2026 \$40 calls also bought 1000x for \$5.10 showing longer term conviction. The \$9.9B interactive social media and dating app company trades at 16.7x earnings, 3.6x sales, FCF yield of 9.0% with revenues expected to rise +5% in FY23 and growth estimated +8% in FY24. Match Group, Inc., through its portfolio companies, provides digital technologies. Its portfolio of brands includes Tinder, Hinge, Match, Meetic, OkCupid, Pairs, Plenty Of Fish, Azar, Hakuna, and other brands, which are designed for users to find a connection. Shares have been quietly moving higher the past two months after that capitulation bottom on huge volume on its earnings report in early November and that day made its lows for the year at 27.50. MTCH is now rising higher along its 8 EMA as the 21/55 MA bull cross confirmed a shift higher recently and has room to the 200 day MA just above here at \$38.25. Longer term the midcap internet stock can see a recovery up towards 45 which is a higher volume node and VPOC from mid-2023. Average analyst price target is \$41. Keybank lowered its target to \$48 last week but keeps a Overweight rating citing valuation but also being cautious of the recent pricing increases. BAML initiated with a Buy rating and \$52 target saying monetization efforts under CEO Bernard Kim, strong growth at Hinge, and an improvement in Tinder user trends are expected to drive an acceleration in revenue and EBITDA expansion in 2024. Gordon Haskett was out in late September saying Match is a name that could garner activist interest with it being undervalued. JPM is also bullish on the stock with a Buy rating and \$60 target back in October saying Tinder payer growth to gradually improve in 2024 as focus shifts from price optimizations to product and engagement. Short interest is at 3.9% and has increased by 63% in the past 3 months. Hedge fund ownership rose 7.6%. Boston Partners is a large investor in the name after starting a new position of 7.07 million shares last quarter and now owns nearly 3% of the stock which could become an activist situation.

Hawk Vision:



Hawk's Perspective: MTCH has had a nice rebound to fill that gap but still has space to fill a volume pocket towards 41 if sees momentum increase. The Feb \$37.50/42.50 call spreads at under \$1.40 are a cheap risk/reward that captures earnings.

Confidence Ranking: \$\$