



Yandex Bulls Position for 2019 Upside on Multiple Drivers

Ticker/Price: YNDX (\$32.65)

Analysis:

Yandex (YNDX) buyer of 1,500 August \$34 calls for \$3.50, name with August \$35 and \$36 calls in OI from recent buys, bullish note out of BAML this morning. YNDX has also seen February 22nd (W) \$33 and \$34.5 calls open the last few days targeting earnings on 2-15. YNDX also has a 4,100 contract March \$31 call position that opened on 1/22. Shares are flagging just above the 200 day MA, a name on a strong three week run that moved out of a large weekly wedge. The \$10.1B Russian internet Co. trades 22.1X Earnings, 5.7X Sales and 65.3X FCF. YNDX is closing 2018 with 31% revenue growth after 43% last year and sees 16.5% growth for 2019. Analysts have an average target of \$46 on shares and short interest low at 0.9% of the float. BAML this morning with a \$46 target noted further conviction in its Taxi segment and also highlights food delivery potential. In October there were reports that Sberbank may try to take control of 30% of the company which weighed on shares but was denied by both parties. Hedge Fund ownership declined 18.65% in Q3 filings, OZ Mgmt. a new position.

Hawk Vision:



Trading Strategy: YNDX has long been a favorite longer term play with its exposure to growth markets and a unique emerging market name. Shares look great at this level and can continue to \$40.

Confidence Ranking: \$\$\$