



Interesting Spread in Survey-Money Sees Move Back to Highs

Ticker/Price: SVMK (\$18.95)

Analysis:

SVMK (SVMK) a name that surged on earnings in February but has pulled back nearly filling the gap and hitting 21 MA into market weakness, seeing July \$17.5 calls bought 2000X at \$3.48 with 3000 of the \$22.5/\$15 strangles sold to open for \$2.02. SVMK does not have a lot of significant open interest, the April \$22.5 calls with 1700X sold to open while July \$22.5 calls with 1700X bought. SVMK is a fairly newer name debuting in 2018 and quickly bottomed in late 2018, trending higher since with a long sideways pause for a year before breaking out last week. The \$2.6B Tech Company is involved in customer engagement, attraction and retention via its survey platform, coming off a strong quarter for SurveyMonkey and the CEO never more excited about the opportunity ahead. SVMK shares trade 7X EV/Sales with revenues seen rising 23% this year and 20% next. It will present at the SunTrust Tech Conference 3-10. SVMK has been successfully adding new paying users and expanding ARPU. SVMK sees a wave of demand as nearly every company transforms digitally, and thinks the market is more tens of millions of people globally, currently is 65% US-based. Analysts have an average target of \$24 and short interest low at 3.3% of the float and down 33% Q/Q. CSFB out in December into 2020 noting the company doubled its sales force into strong enterprise momentum and sees TAM expansion with customer experience and market research products and sees a significant opportunity. Craig Hallum started shares Buy in October with a \$25 target seeing enterprise investments paying off and set to ride the CXM trend. Hedge Fund ownership fell 5.2% in Q4 filings, Salesforce with a \$68M position.

Hawk Vision:



Hawk's Perspective: SVMK has been quietly a strong Tech growth name that does not have a lot of eyes on it, and continue to like the company as it delivers strong numbers.

Confidence Ranking: \$\$