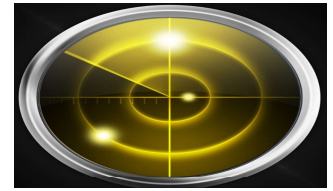




## FEATURED OPTIONS RADAR REPORT



### Teladoc Bulls Step into Weakness

**Ticker/Price:** TDOC (\$176)

#### Analysis:

**TelaDoc (TDOC)** bullish flows on 3/25 with 1000 May \$170 puts sold to open \$13.70, also July \$190 calls 1100X bought \$15.80 and 600 October \$170 puts sold to open today for \$25.25, stock replacements. TDOC has seen size buyers in the October \$300 calls as well as sellers in the January \$165 puts and October \$165 puts recently and plenty of bullish flow in the July, October, and December options. Shares are trying to hold major support this week at the \$175 level that stretches back to mid-2020 as well as the low-end of 1-year value. The 61.8% Fibonacci retracement of the massive rally in 2020 is down around \$155, a major area of interest. The \$27B company trades 34X cash and 13.9X EV/sales with 80% growth expected in FY21 and 31% in FY22. TDOC has grown rapidly since the start of 2020 with user adoption becoming ubiquitous during the pandemic and they continue to see elevated demand for virtual care. The company will face some tough comps in 2021 but they noted at the recent Cowen conference they believe the long-term shift in healthcare habit and comfort with virtual care for basic doctor/patient interaction is more permanent than some may think. TDOC also has a big opportunity going forward to expand their TAM into verticals like mental health and behavioral telemedicine which is expected to grow 4X over the next five years to more than \$20B. Analysts have an average target for shares of \$243 with a Street High \$330. Piper positive on 3/23 despite concerns about competition from Amazon noting that the breadth, integration and scale put TDOC several years ahead of Amazon Care and the firm expects TDOC to continue to grow sizable moats in the employer benefits market for Virtual Care. RBC positive on 3/18 as they think the Livongo deal puts them far ahead of Amazon's potential while the company likely falls short of meeting the desires of the larger multi-national companies that prefer solutions that can address their entire employee base. Short interest is 8%. Hedge fund ownership rose 64% in Q4, ARK a big buyer of 5.8M shares.

#### Hawk Vision:



**Hawk's Perspective:** TDOC is clearly in an ugly trend right and I think you can be patient waiting for a move back above \$200 to get involved, a leader in a very big and growing space that I think will continue to see strong use even after vaccinations

**Confidence Ranking:** \$\$