



# OSTK BULLISH ALERT

*Jan. 25, 2021*



# Bullish Opportunity Alert: **OSTK**

## Actionable Trade Idea

**Buy Overstock.com, Inc. (NASDAQ:OSTK) stock below \$70/share\*\***

Alternative approaches would include selling OTM put options with a strike price 5% below the current price of the stock each month to generate income until a position is established.

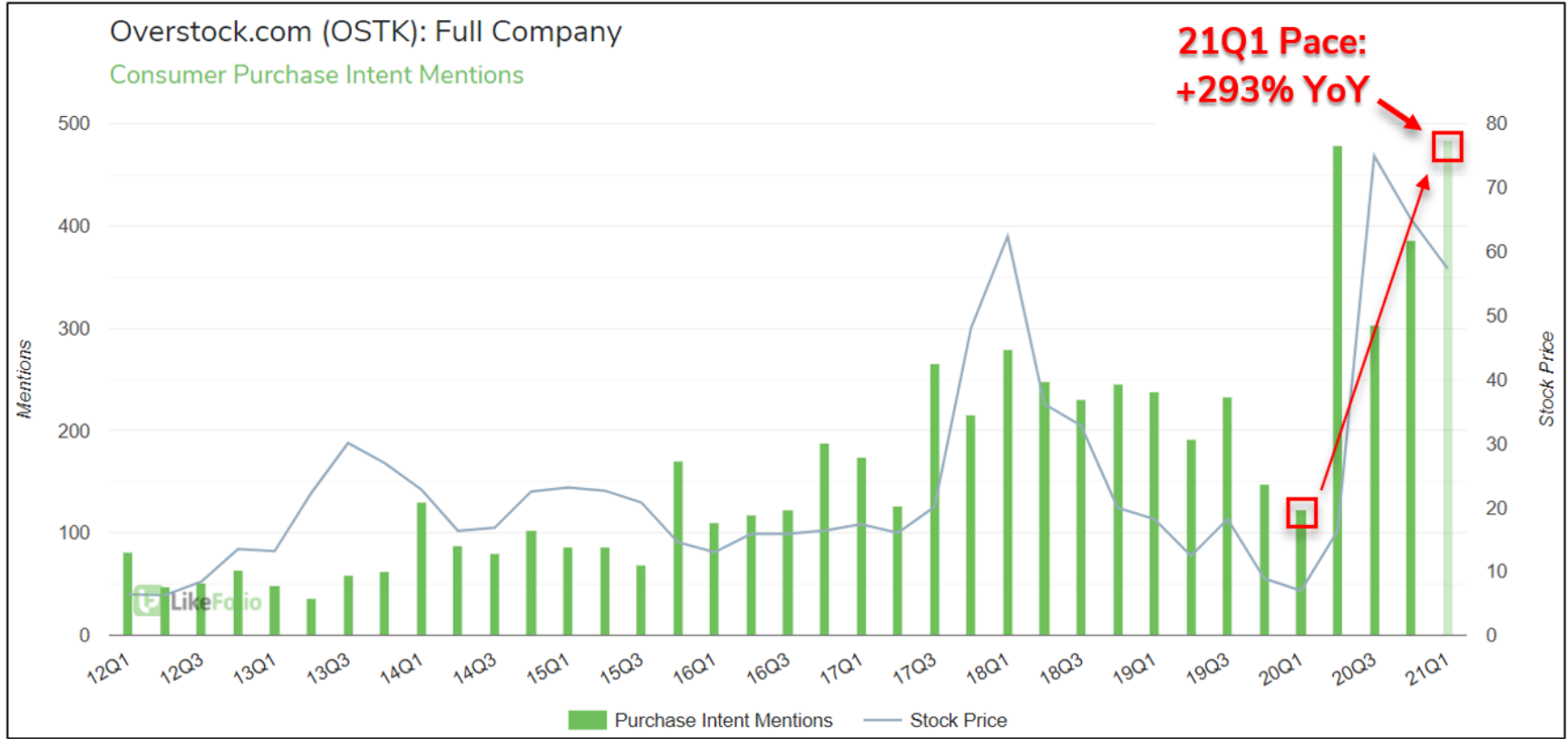
We believe the stock could gain by 40-50% within the next 2 years.

\*\*ON ALL TRADES, it is important to use proper risk management to correctly allocate and protect your capital. One popular exit strategy for bullish trades is a 25% trailing stop.

## Consumer Demand:

- Consumer Mentions of shopping on and buying products from Overstock.com have gained **+208%** in the past 90 days vs. the prior year
- Purchase Intent Mention volume exploded higher as a result of COVID-19 -- Now maintaining a higher level into 2021

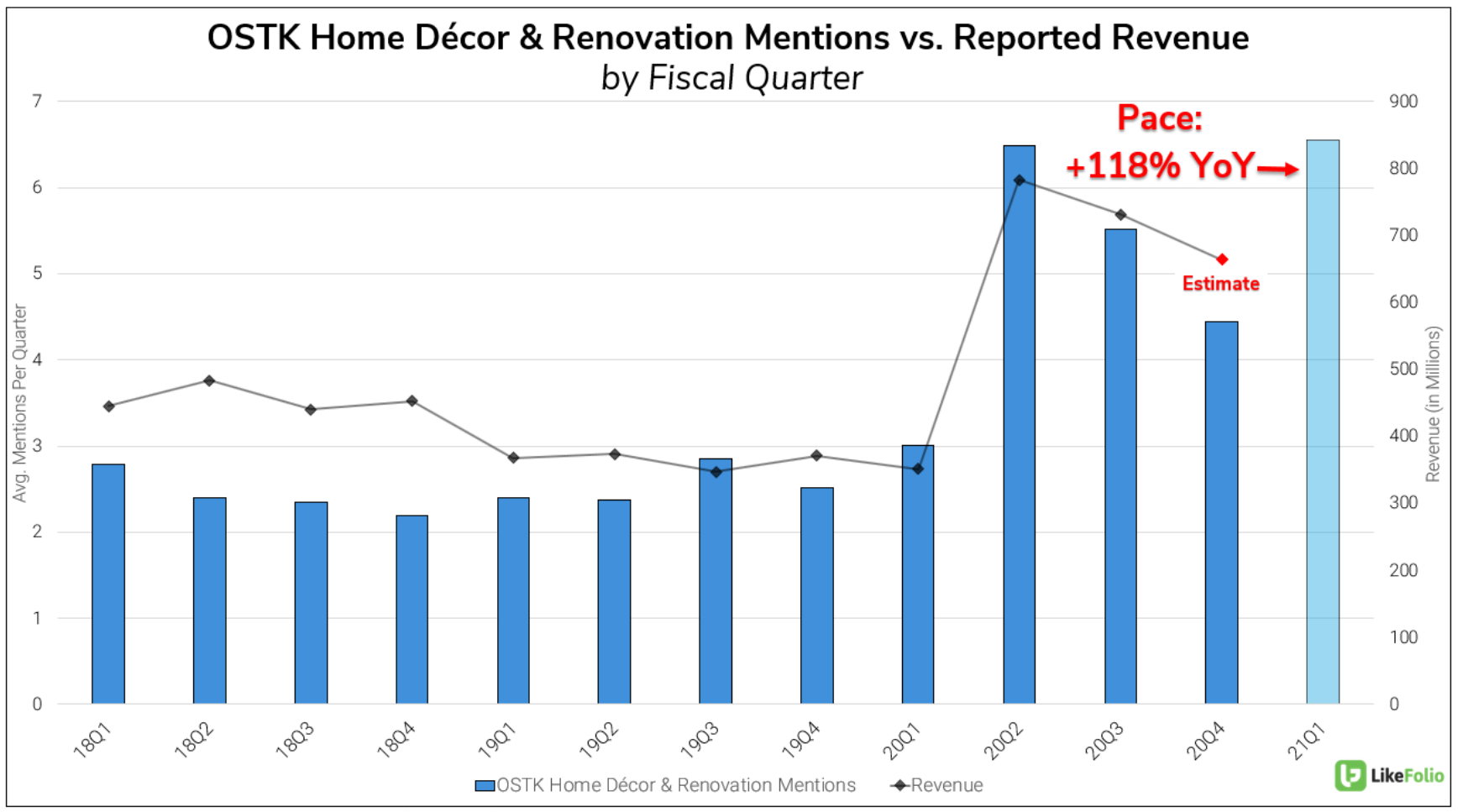
# OSTK: Business is Booming



## Home Decor:

- Consumer mentions of shopping for and buying furniture, décor, and other home goods on Overstock.com are near an all-time high, **+138% YoY** in the past 90 days
- These product-specific mentions have shown a remarkable correlation to reported revenue in recent years

# OSTK: Home Décor is Core



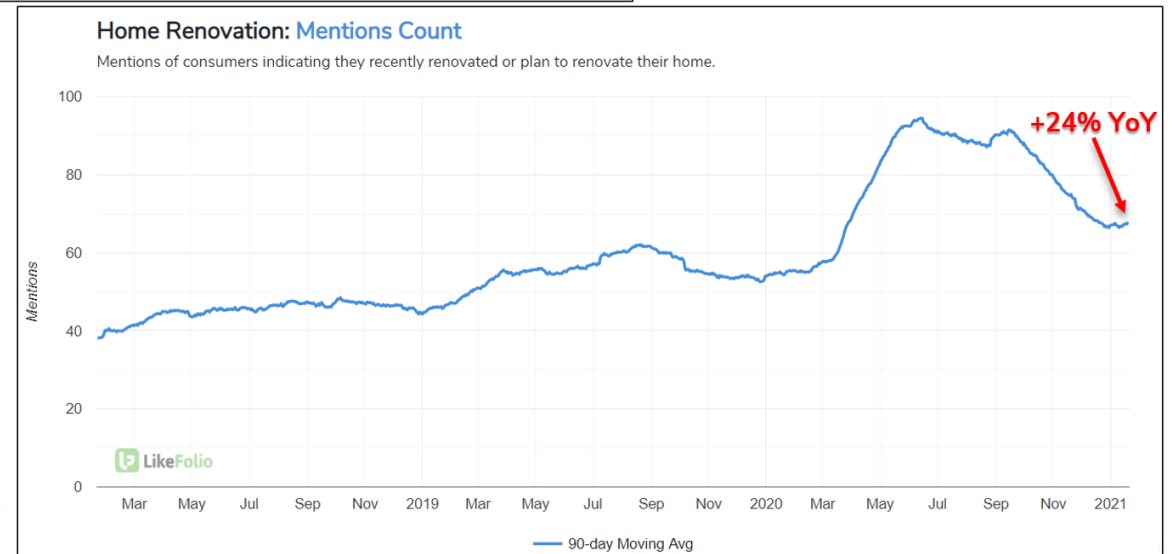
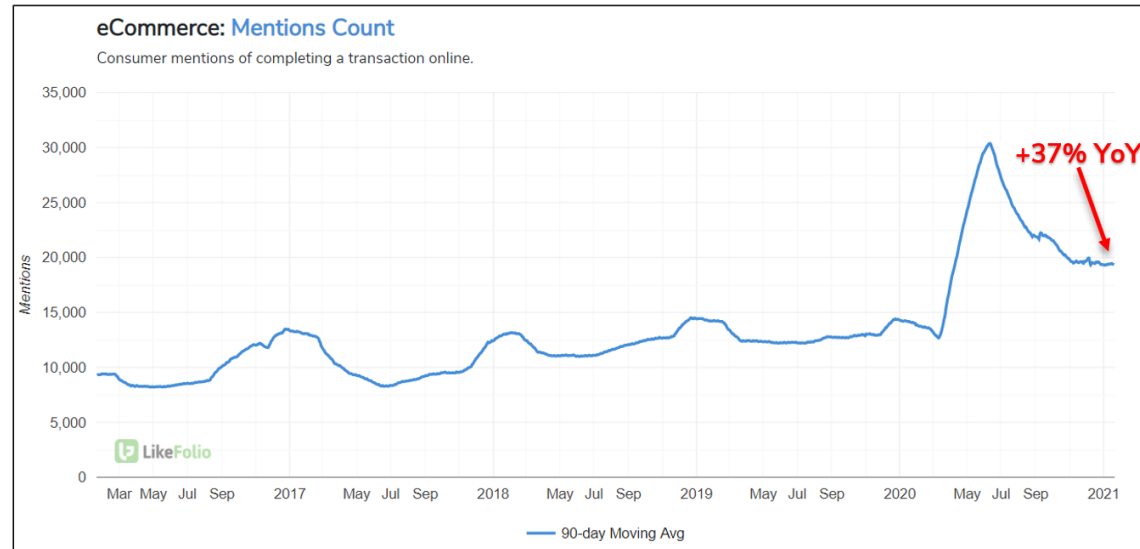
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## Macro Tailwinds:

- Consumer mentions of completing a transaction online are up **+37%** in the last 90 days vs. prior year
- Mentions of consumers indicating they recently renovated or have plans to renovate their home are also holding at a higher level: **+24%** in the past 90 days vs. prior year

# OSTK: Favorable Consumer Behavior



# OSTK: The Bottom Line

- All-time high levels of Purchase Intent Mentions have translated into phenomenal revenue growth for OSTK.
- Net sales improved from the previous year by **+109%** and **+111%** in the last 2 quarters reported.
- **Overstock [marketing efforts](#) are effectively bringing more customers to the table:** operating expenses (including sales and marketing efforts) increased 62% in Q3, and new customer count increased 141% in the same time frame.
- **Shares have nearly halved in value since reaching all-time highs in August 2020** after receiving a bullish rating from [Piper Sandler](#).
- **Overstock expects consumers to continue to purchase home furnishings online:** “Although it's difficult to predict future trends right now, we believe that the shift to purchasing home furnishings online will continue and that this shift should serve as a tailwind for us. Recall that our goal is to gain market share and in expanding US online home furnishings market.”

**Overstock sells a variety of furniture, appliances, and home decor on its eCommerce site -- American Consumers are investing in home renovations and shopping online at an increased rate. It's not hard to figure out why OSTK is dominating, and barring an unforeseen shift in consumer preferences, we expect to see them growing their top line in the coming months and years.**

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