



# RDFN BULLISH ALERT

*September 16, 2020*



# Bullish Opportunity Alert: **RDFN**

## Actionable Trade Idea

**Buy Redfin Corp. (NASDAQ: RDFN) stock up to \$55/share\*\***

Consider establishing a position over time.

Alternative approaches would include selling OTM put options each month to generate income until a position is established.

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

## Consumer Demand:

- Consumer mentions of listing and buying properties on Redfin are showing phenomenal YoY growth, up +129% in the past 90 days vs. prior year.
- Consumer Mentions of “buying a new house” increased +48% in the last 90 days vs. prior year.

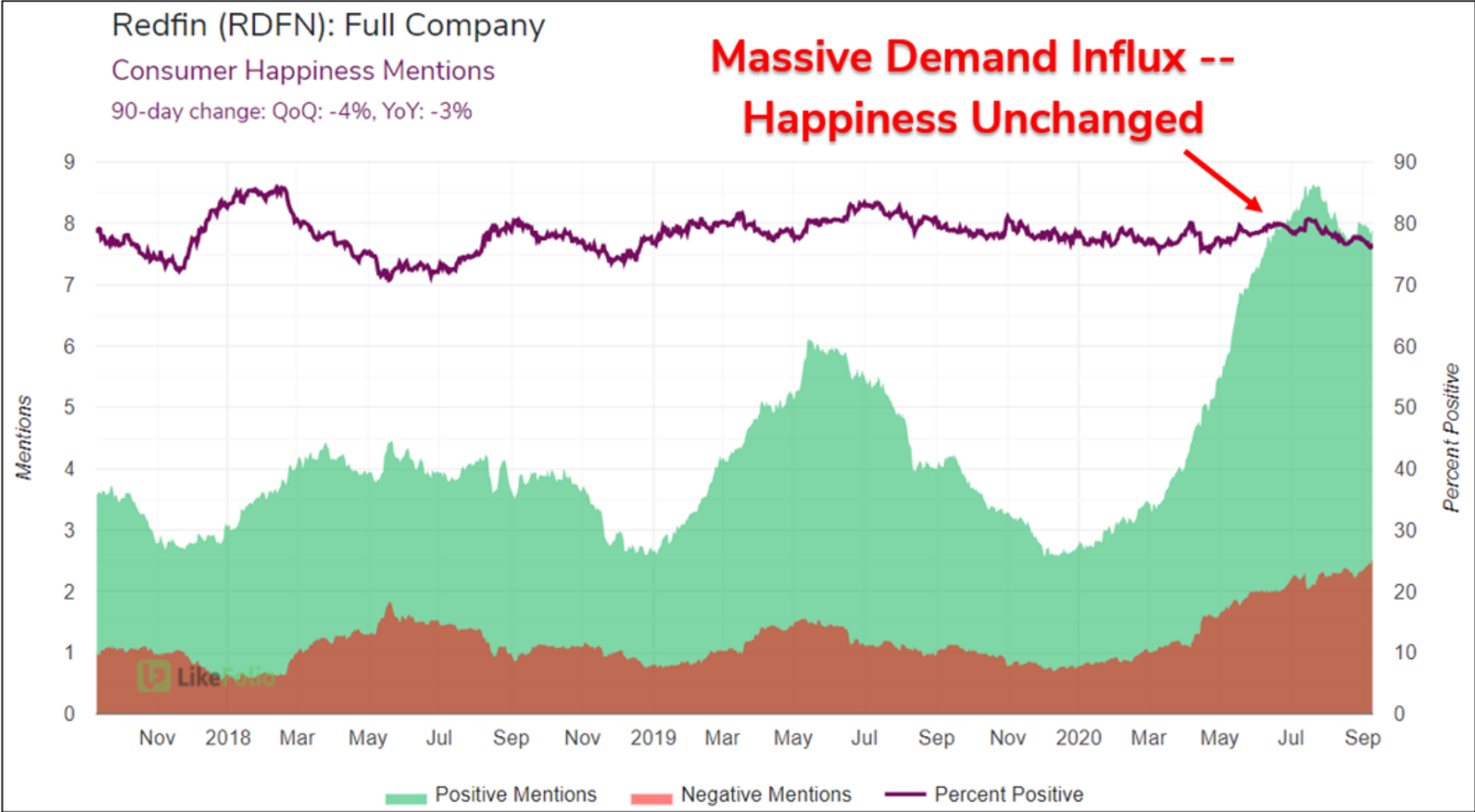
# RDFN: Significant YoY Demand Growth



# Consumer Sentiment:

- Consumer Happiness dipped slightly over the past quarter to 78% positive. This (low) level of change in the face of swelling Demand is impressive.

# RDFN: Happiness is Largely Positive



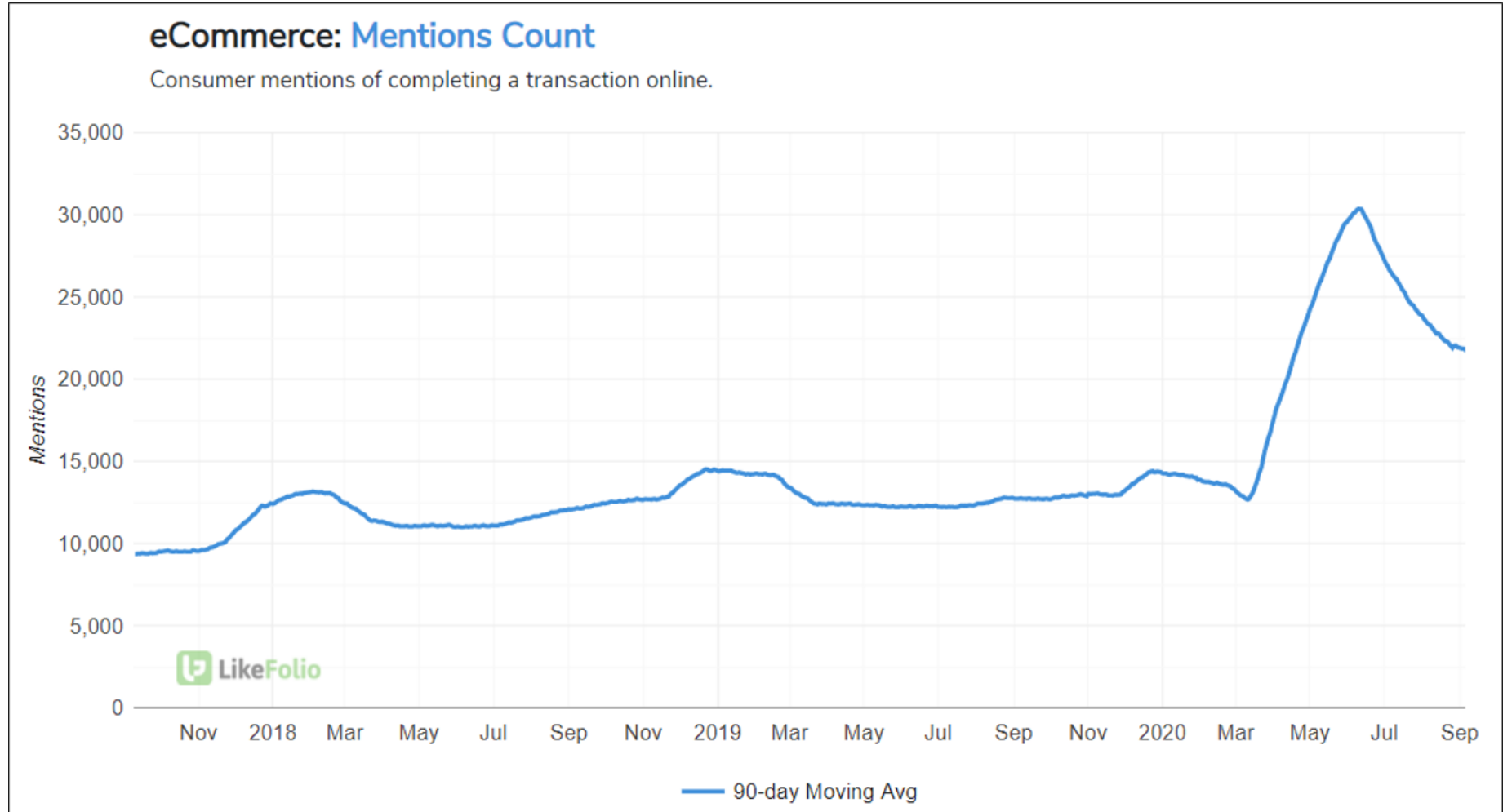


## Digital + Home Sales:

- Consumers conducting business on a digital marketplace increased +70% in the last 90 days vs. prior year.
- New home sales surged in July, +14% higher than rates recorded in June and +36% higher than sales in July 2019.
- Sales of existing homes reached new highs in July as well and increased by nearly +25% from June, representing the most substantial monthly gain in the history of the survey (going back to 1968).



# RDFN: Thriving Digital Marketplace



# RDFN: The Bottom Line

- Three key metrics (Purchase Intent, Consumer Happiness, and Macro Trend Tailwinds) are green for Redfin.
- [Redfin reported](#) a +16% YoY increase in average monthly unique visitors in Q2 with acceleration into the current quarter (a clear sign of the lockdown's lasting positive impact on eCommerce site traffic).
- Redfin's **digital positioning inside a [thriving housing market](#)** make it an ideal beneficiary of shifts in consumer behavior and preferences.
- We initially highlighted RDFN in the [Coronavirus Shopping List MegaTrends Report](#), and again in the [September MegaTrends report](#) and have since witnessed sustained strength. Considering the recent market pullback alongside strong consumer demand, we believe this name has plenty of room for growth.

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