

Elastic NV

138 Usd
+15%

ISIN: NL0013056914
Ticker: ESTC

Sector: Technology Services
Stock exchange: NYSE
Market capitalization: 12.3 billion

Key Metrics:

Performance YTD: 111.5%
Estimated 2020 P/E: -

Earning per share: -2.12
Price to book: 24

Net Debt: -318 million
Return on Equity: -0.42

Fundamental analysis summary

Elastic is an open-source software company that enables users to search through structured and unstructured data for a range of consumer and enterprise applications. In eight years and with minimal capital, the company has grown from an open-source project to over USD 500 Million in sales. In the last four years, its sales quintupled. The company has an asset that does not appear on the balance sheet: a large base of non-paying users. Since Elastic is an open-source software company that offers free versions of the software, there are very likely more than 50X non-paying customers for each paying customer. Some of them will likely convert and increase the company's revenue as it proposes additional paying services.

Technical analysis summary

Elastic made its IPO in January 2019 at a price of USD 70.-. The stock did not manage to capture the investor's attention until COVID-19 and its pertaining reflection on work processes. Since its dip at USD 40.- in March 2020, its price tripled. The company's price is now at USD 140.-. The recent earning release has propelled its price by 17% leaving the stock in oversold areas. The wise move would be to wait for a retest of USD 130.- before buying the stock.

Chart - Year To Date





This document does not constitute an offer or solicitation to any person in any jurisdiction in which such offer or solicitation is not authorized or to any person to whom it would be unlawful to make such offer or solicitation. Any reference in this document to specific securities and issuers are for illustrative purposes only, and should not be interpreted as recommendations to purchase or sell those securities. References in this document to investment funds are to funds that have not been authorised by the FINMA and therefore cannot be distributed in or from Switzerland except to certain categories of eligible investors. Bally Capital Advisors SA or its clients may hold a position in the financial instruments of any issuer discussed herein, or act as advisor to any such issuer.

References to market or composite indices, benchmarks or other measures of relative market performance over a specified period of time are provided for your information only.

Additional Information is available on request.