



LikeFolio

CROX Bullish

Opportunity Alert

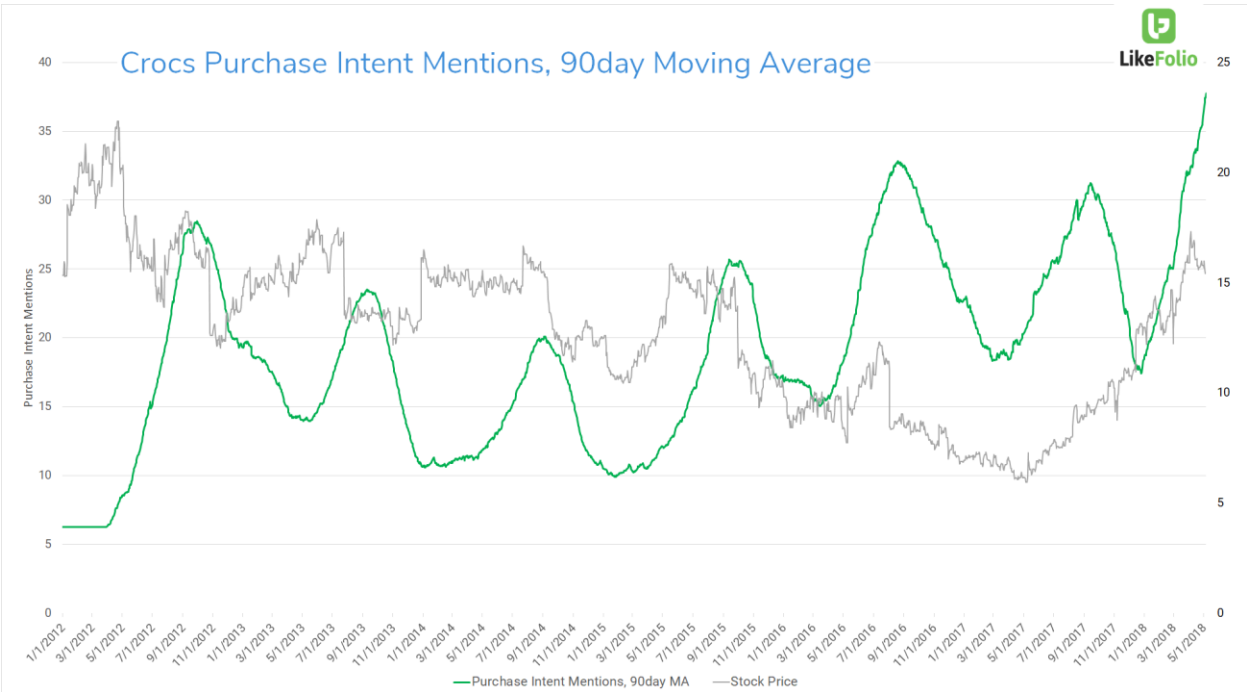
May 7, 2018

SUMMARY

Crocs Inc. purchase intent mentions have exhibited extraordinary strength in the second quarter of 2018. Crocs Stock price has increased by over 150% in the last year, and the trajectory of the current trend in LikeFolio data indicates that the run isn't over yet. We are initiating a BULLISH ALERT for CROX going into their earning report tomorrow and extending through the end of 2018.

LIKEFOLIO SOCIAL DATA

Historically, the 90-day moving average of Crocs' purchase intent mentions has followed a seasonal pattern; social mentions rise throughout the spring and summer before peaking in the early fall.



A Y/Y decrease in the summers of 2013 and 2014 preceded CROX fall to an all-time low stock price, and back to back strength in 2016 and 2017 lead the recent bull run. The purchase intent moving average recently hit a new high in the spring of 2018 which suggest that 2018 could be a breakout year for Crocs' social data and valuation.

LIKEFOLIO SOCIAL DATA CNTD

Crocs have been called “the Most-Hated shoe in America”, and 4 years ago that moniker may have held some truth. For the better part of the decade, the bulky designs and brazen color schemes of Crocs brand footwear made anyone daring to wear them the butt of many a lazy joke. In fact, the phrase “*presidential candidate* wears Crocs” crossed partisan lines during the 2012 election season, with both Obama and Romney supporters accusing the opposing candidate of wearing the shoes. In recent years, these cracks have steadily decreased in popularity as relevant low-hanging fruit always attracts more likes. The steady fade of the stigma has been accompanied by a palpable shift in public opinion regarding Crocs shoes.

Many consumers, fearing the scorn of their peers, would never have ventured to buy or wear a pair of Crocs. Now that the social embargo has been lifted, the very same groups who once persecuted Croc fans have adopted the shoes themselves:

“Everyone use to hate on my crocs, now every b*(&h has them “ -@ hayleyestrada8

“People irritate me lol everybody use to call people bums for wearing crocs but now crocs is a lot of y’all fav shoes -@poloteam_rod

Others still have embraced the shoes as part of their identity, buying multiple pairs and countless “Jibbitz” accessories:

“I bought two more pairs of crocs.... I’ll stop when I have every color” -@ mj_sadlow_

“@Crocs Is it true that a croc tattoo will get me 5 free pairs of crocs?” -@ TimmyGershin27

“someone buy me jibbitz for my crocs, I’ll marry you” -@ alexawolfesucks

“just bought 100 jibbitz for my crocs đÿ~ @Crocs” -@ kquiterio_

The resurgence of Crocs is an undeniable phenomenon that has seeped into every faucet of American Society.

“Best decision I’ve made for the month thus far is buying a pair of crocs” -@ Rio_Watchusayin

“So yeah I bought crocs, and I f@(*&ing love them. Best purchase of 2018 by far.” -@ ronniexpunani

“So I bought Crocs in NYC and I regret nothing” -@ stevenjhowells

KEY POINTS

- 1** The trend in the moving average of Crocs' purchase intent mentions has lead the stock price by roughly 6-8 months in the past.
- 2** CROX beat revenue estimates in its last 4 earnings releases, and a 5th beat seems imminent considering the prevailing trend in the social data.
- 3** If Crocs' purchase intent mentions follow the seasonal trend seen in past years, then the moving average could reach an unprecedented new high in 2018.
- 4** Based on the existing correlation between CROX purchase intent and stock price, we recommend a long position with a duration through the end of the year to capture future increases in purchase intent.

OPPORTUNITY DETAILS



Direction:
Bullish



Duration:
8-12 months



Target:
\$25.00

TRADE IDEAS

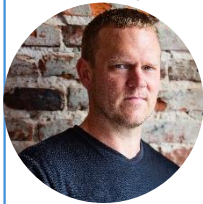
Simple

Purchase shares of Crocs Inc. before their earning report tomorrow.

Option
Play

Sell Sep.18 16/15 Put Spread @ \$0.55 Credit. Max Loss \$45, Max gain \$55 per contract.

[SELL -1 VERTICAL CROX 100 21 SEP 18
16/15 PUT @.55 LMT](#)



Andy's Pick

Aggressive

Purchase at the money calls expiring in DEC

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