

# 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





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