

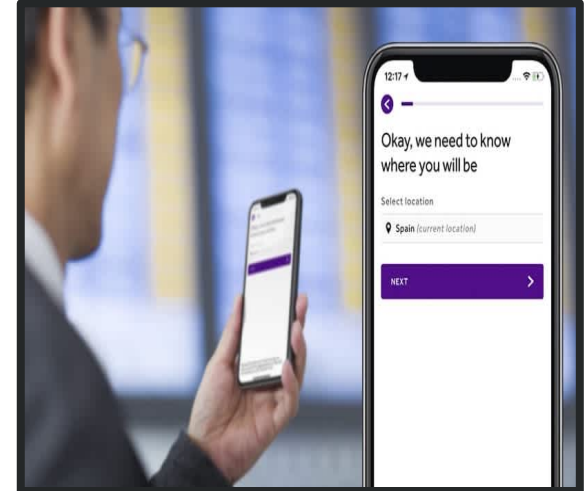
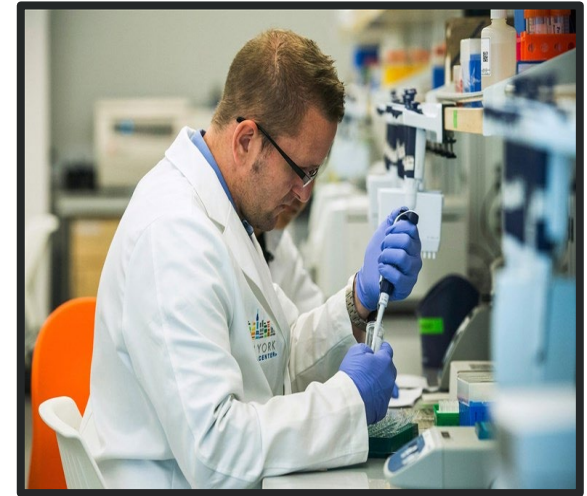
HEDGEYE



Health Care Position Monitor Update

MASI App Downloads, TXG NIH Grant Data, GH & NTRA Claims Data, TDOC Robinhood Tracker

July 13, 2020



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Health Care Position Monitor

For Week of July 13, 2020

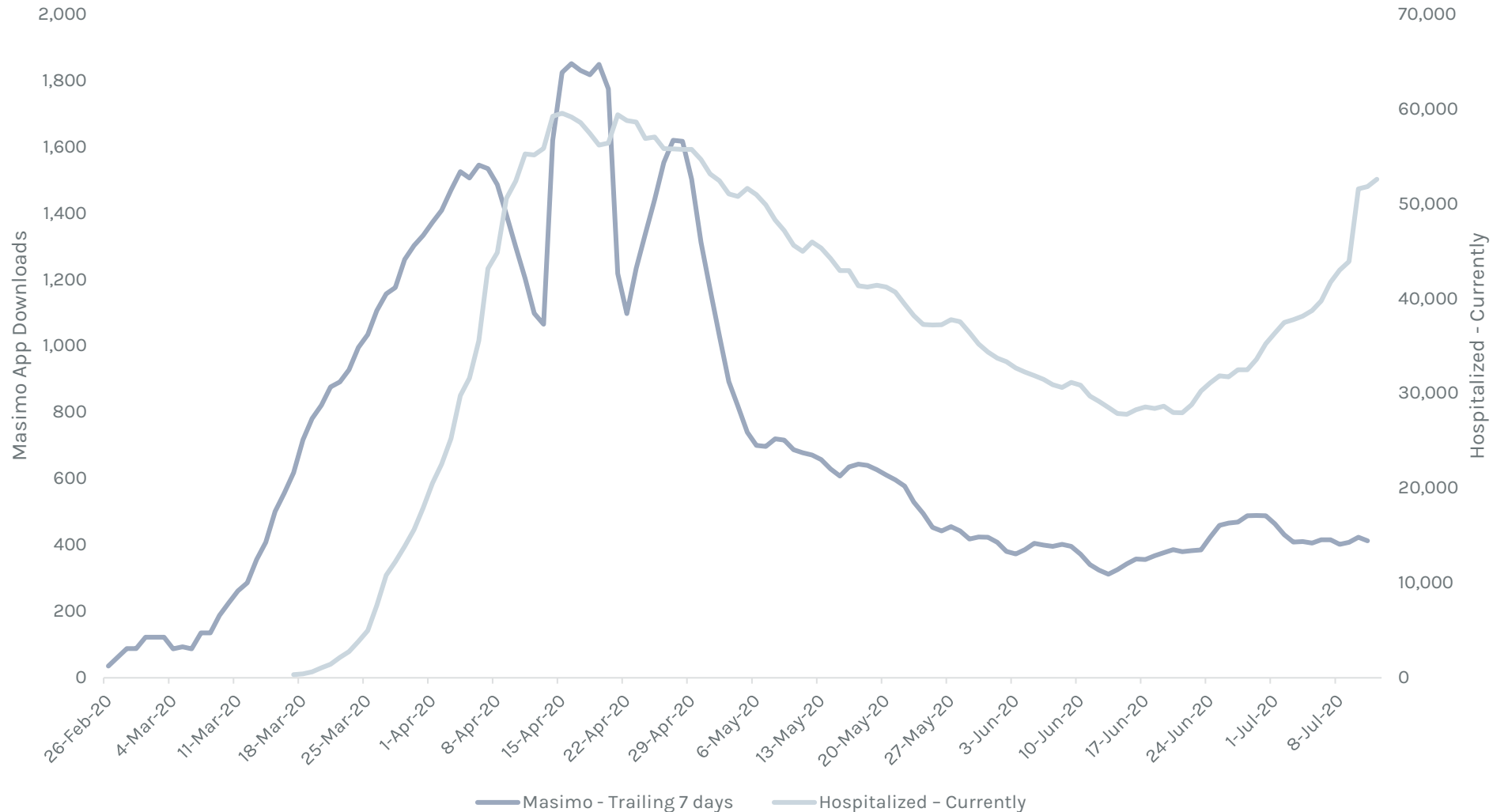
Best Ideas - Longs					Best Ideas - Shorts						
LONG					SHORT						
		Price	Mkt Cap (\$B)	Trend	Tail			Price	Mkt Cap (\$B)	Trend	Tail
Active Longs					Active Shorts						
ONEM	1Life Healthcare, Inc.	\$ 41.60	\$5.2B	✓	✓	AMN	AMN Healthcare Services, Inc.	\$ 43.58	\$2.0B	×	×
TDOC	Teladoc Health, Inc.	\$ 228.98	\$18.9B	✓	✓	EXAS	Exact Sciences Corporation	\$ 92.08	\$13.8B	×	×
						HQY	HealthEquity Inc	\$ 55.75	\$4.2B	×	×
Long Bias					Short Bias						
TXG	10x Genomics Inc Class A	\$ 91.06	\$5.3B			HCA	HCA Healthcare Inc	\$ 96.72	\$32.7B		
NTRA	Natera, Inc.	\$ 46.92	\$3.7B			HRC	Hill-Rom Holdings, Inc.	\$ 110.95	\$7.4B		
						MASI	Masimo Corporation	\$ 231.13	\$12.5B		
						NVTA	Invitae Corp.	\$ 33.47	\$4.2B		
						DVA	DaVita Inc.	\$ 81.19	\$9.9B		
						ILMN	Illumina, Inc.	\$ 370.25	\$54.4B		
						GH	Guardant Health, Inc.	\$ 85.21	\$8.1B		

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MASI | #SecondWave App Downloads

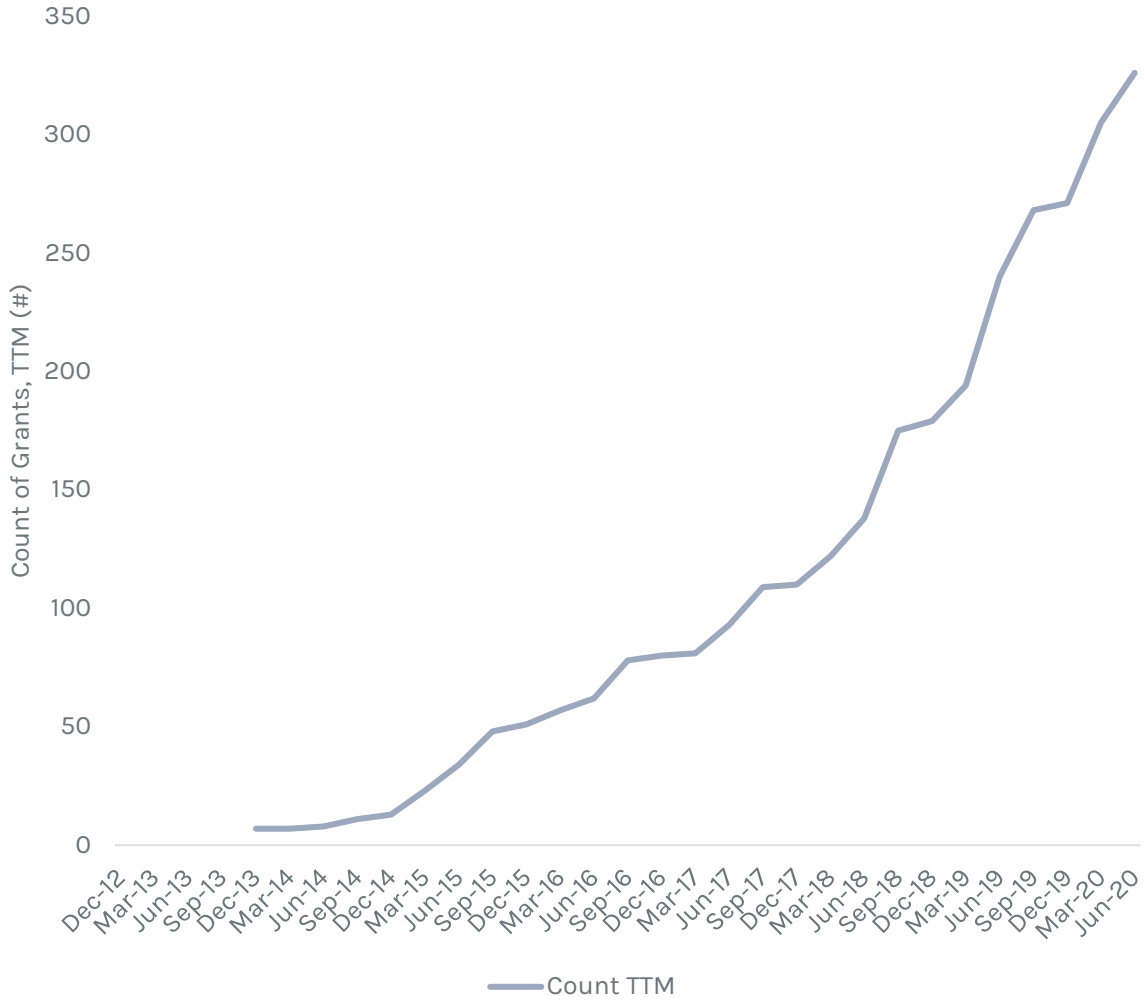
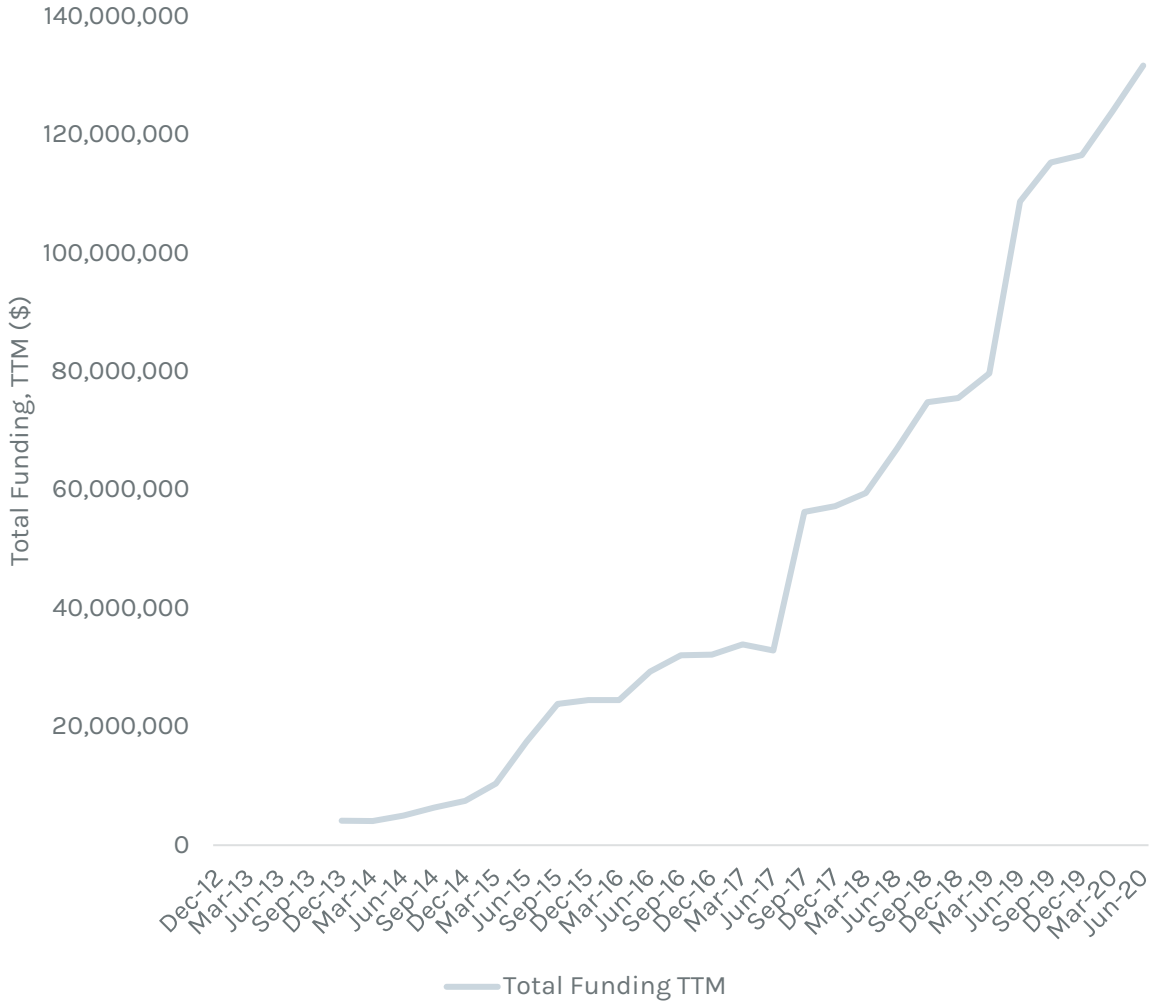
Hospitalizations have resurged, but App Downloads have not



- The limited response in app downloads may be the result of many equipment and service providers competing for incremental COVID demand.

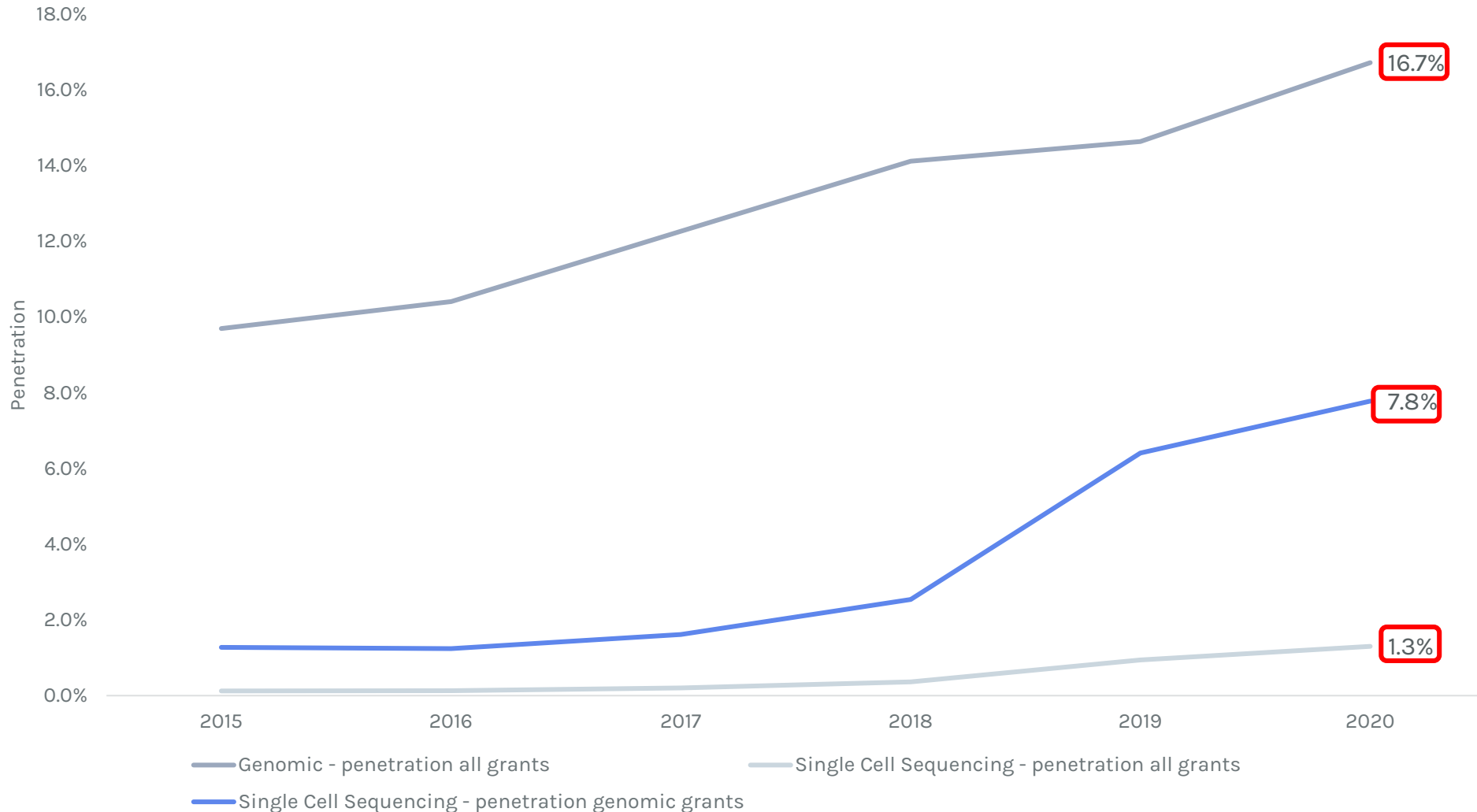
TXG | NIH Grant Trend

We've identified key terms across existing programs



TXG | Penetration at UCSF

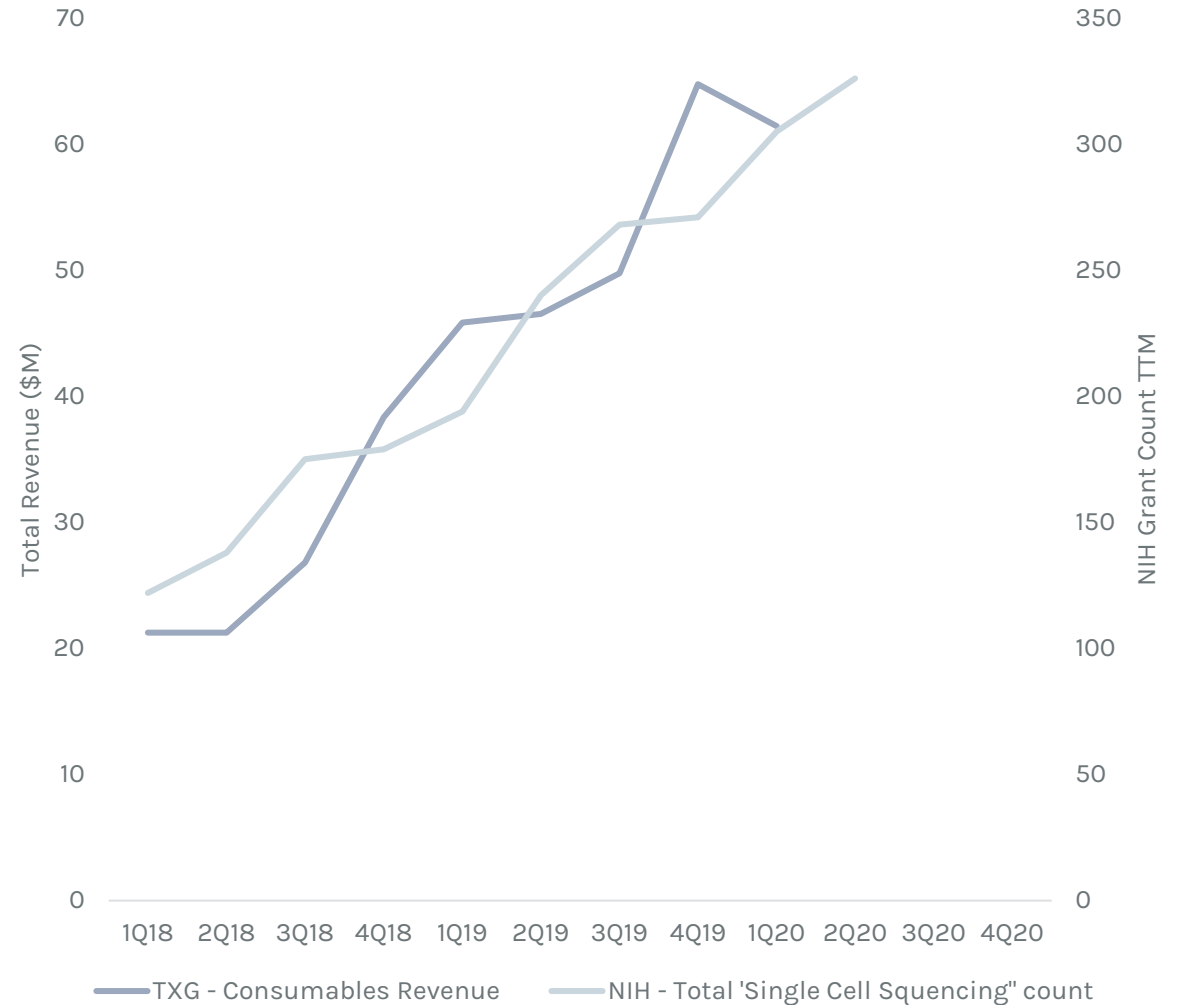
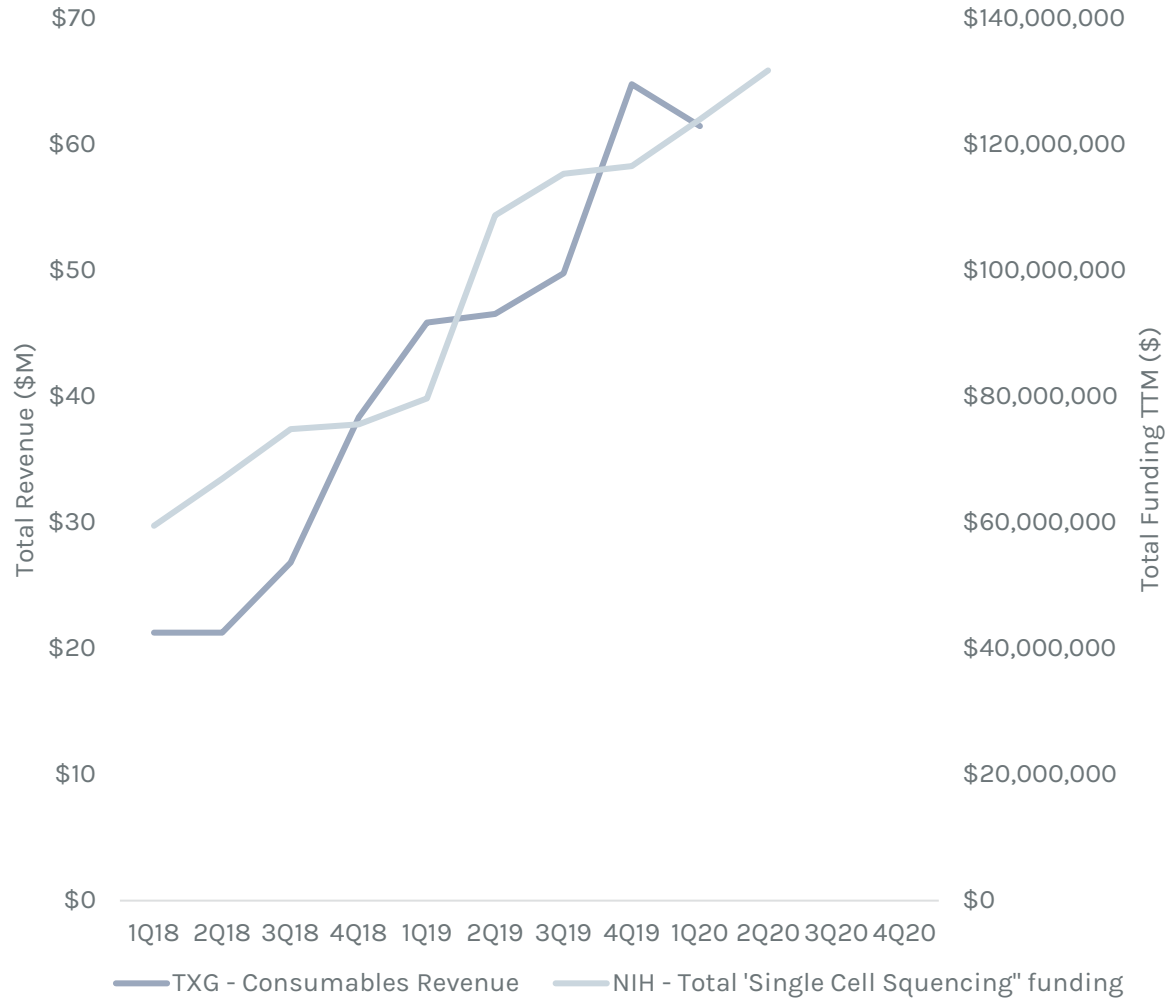
UCSF is a top grantee in funded projects



- Our survey of current projects turned up a list of key search terms and UCSF is one of the top recipients of awards related to 10X Genomics' single cell sequencing platform.
- Compared to genomics, single cell sequencing projects are far less penetrated.

TXG | NIH Trends vs Revenue

Correlation high between NIH 'Single Cell Sequencing' and reported revenue



GH | Claims Data

Guardant down sequentially, but expect a good quarter



- Guardant has been impacted much less significantly than many health care names.
- While we do see a sequential deceleration in claims, the delta is not as big as 2Q20 consensus revenue implies.
- Based on this trend we expect GH to post upside in the quarter.

GH | 2Q20 Claims Forecast

Down sequentially, but likely better than expected

Week	Q1-2017	Q2-2017	Q3-2017	Q4-2017	FY2017	Q1-2018	Q2-2018	Q3-2018	Q4-2018	FY2018	Q1-2019	Q2-2019	Q3-2019	Q4-2019	FY2019	Q1-2020	Q2-2020
1	37	82	51	87	256	90	86	106	72	354	145	153	175	264	737	38	215
2	69	72	63	91	295	112	134	96	116	458	96	187	155	119	557	114	109
3	44	103	96	68	310	72	110	75	89	345	123	108	162	159	552	161	198
4	71	85	82	61	298	131	126	103	117	477	86	142	211	144	583	177	174
5	89	64	57	72	282	83	108	113	130	434	105	188	123	173	588	166	162
6	46	71	121	96	333	99	113	89	82	384	116	117	145	177	555	245	160
7	64	70	91	88	313	119	103	75	100	397	143	135	131	224	632	186	135
8	80	86	84	50	300	89	96	83	90	357	108	120	199	157	584	224	176
9	80	84	73	86	323	89	59	127	92	367	135	161	130	162	588	154	138
10	117	87	54	108	367	58	65	93	92	308	112	135	189	131	567	176	-
11	83	68	71	85	308	132	89	82	89	393	153	116	131	165	565	173	-
12	82	102	112	76	371	103	117	92	189	501	131	195	146	201	673	211	-
13	97	95	88	39	319	86	173	106	141	506	136	187	161	253	737	181	-
Total	957	1,069	1,043	1,007	4,077	1,264	1,378	1,241	1,398	5,281	1,589	1,942	2,057	2,329	7,918	2,206	1,467

Correlation	
Claims Data & Reported Claims	97.9%

Forecast	
	Q2-2020

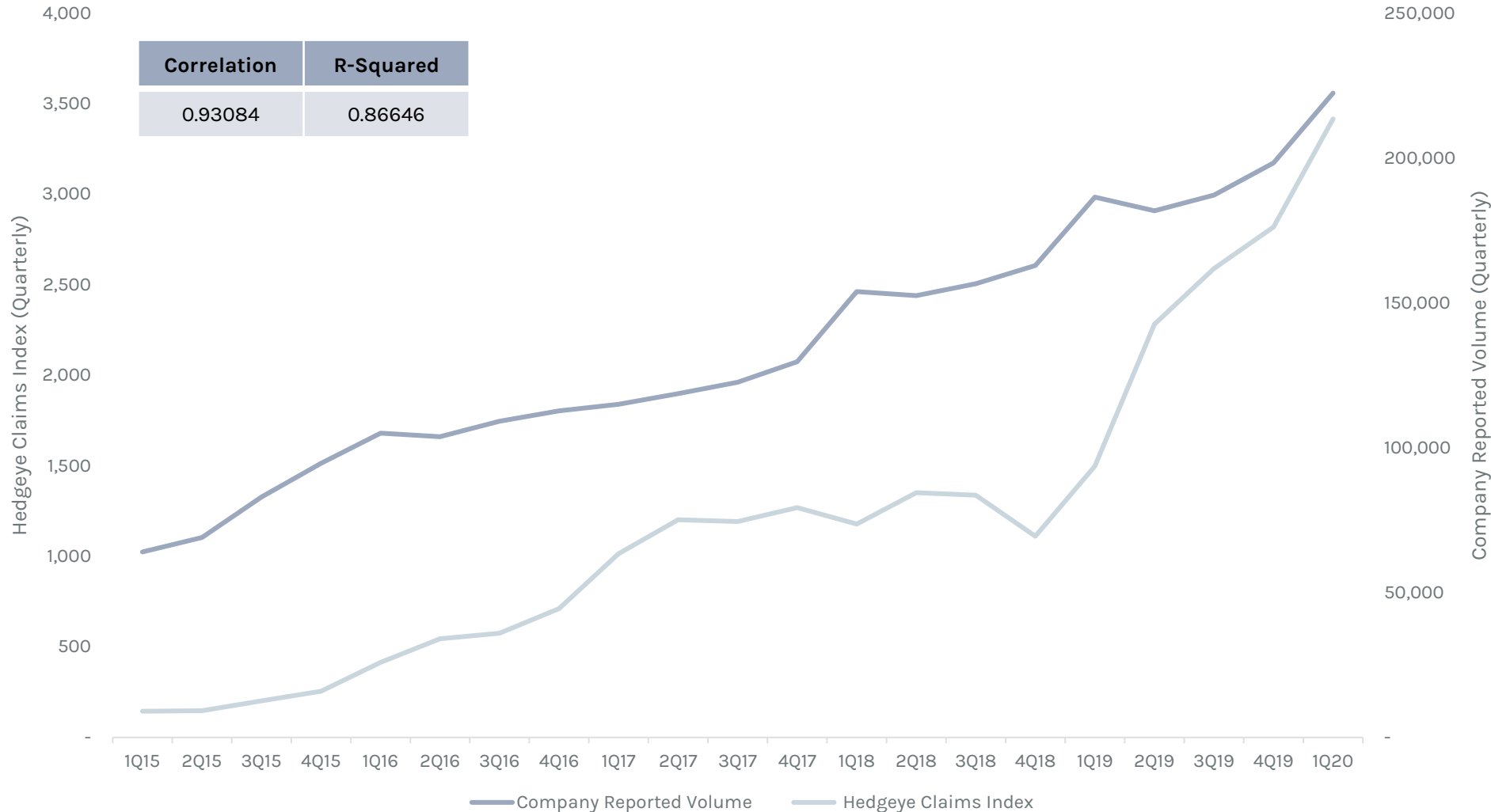
Management Guidance	
Clinical Test Volume	Withdrawn

Hedgeye	
Method 1: Seasonal Wkly Distr.	15,685
Method 2: Avg Per Day x Total	15,165
Method 3: QTD Vol / Ratio Days	14,657
Method 4: Last Wkly Data Pt	13,974
Method 5: Avg Wkly Vol Carry	14,657
Average	14,828

Week	Q2-2020	Week	Q2-2020	Week	Q2-2020	Week	Q2-2020	Week	Q2-2020
10	139	10	181	10	163	10	138	10	163
11	149	11	181	11	163	11	138	11	163
12	230	12	181	12	163	12	138	12	163
13	283	13	182	13	163	13	138	13	163
Total	2,268	Total	2,193	Total	2,120	Total	2,021	Total	2,120

NTRA | Claims Data

Natera accelerating volume



- Due to NTRA’s billing, our claims are lagged a bit longer than other names in the space.
- Despite this factor, Claims Data in 2020 has demonstrated a continued uptick in interest which shows a directionally strong up and to the right trend.
- We are seeing colon cancer icd diagnosis code in small numbers so far in 2020.

NTRA | Claims Data Weekly

Too early to forecast 2Q20

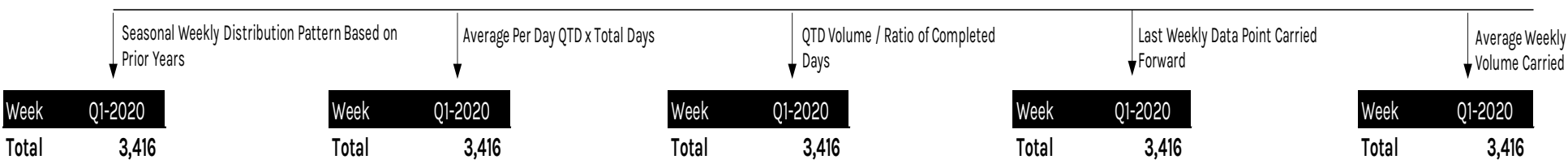
Week	Q1-2017	Q2-2017	Q3-2017	Q4-2017	FY2017	Q1-2018	Q2-2018	Q3-2018	Q4-2018	FY2018	Q1-2019	Q2-2019	Q3-2019	Q4-2019	FY2019	Q1-2020
1	58	115	77	100	349	82	124	78	96	379	138	173	141	203	655	142
2	84	83	112	95	374	95	110	104	101	411	99	187	228	222	735	351
3	70	96	97	86	348	84	114	105	100	402	99	183	209	211	703	338
4	76	89	99	85	348	110	99	95	86	390	97	160	207	219	683	323
5	73	93	89	95	349	100	118	92	81	391	91	182	204	215	692	315
6	83	93	89	99	363	100	98	82	84	363	106	171	199	224	699	288
7	79	93	98	107	377	91	101	99	86	377	103	189	186	232	709	279
8	87	88	85	68	329	102	107	110	60	378	100	179	202	230	711	280
9	94	77	94	95	360	95	89	90	97	370	102	131	196	155	584	267
10	93	94	83	102	372	107	102	94	100	403	126	200	171	247	743	241
11	85	90	85	90	349	106	98	103	97	403	128	182	225	259	794	233
12	95	101	103	94	391	105	96	103	86	389	151	175	209	239	774	191
13	91	83	89	66	329	99	90	94	39	323	160	172	214	163	710	165
Total	1,066	1,195	1,198	1,181	4,639	1,277	1,343	1,248	1,112	4,979	1,499	2,282	2,590	2,819	9,190	3,416

Correlation	
Claims Data & Reported Claims	93.1%

Forecast	
	Q1-2020

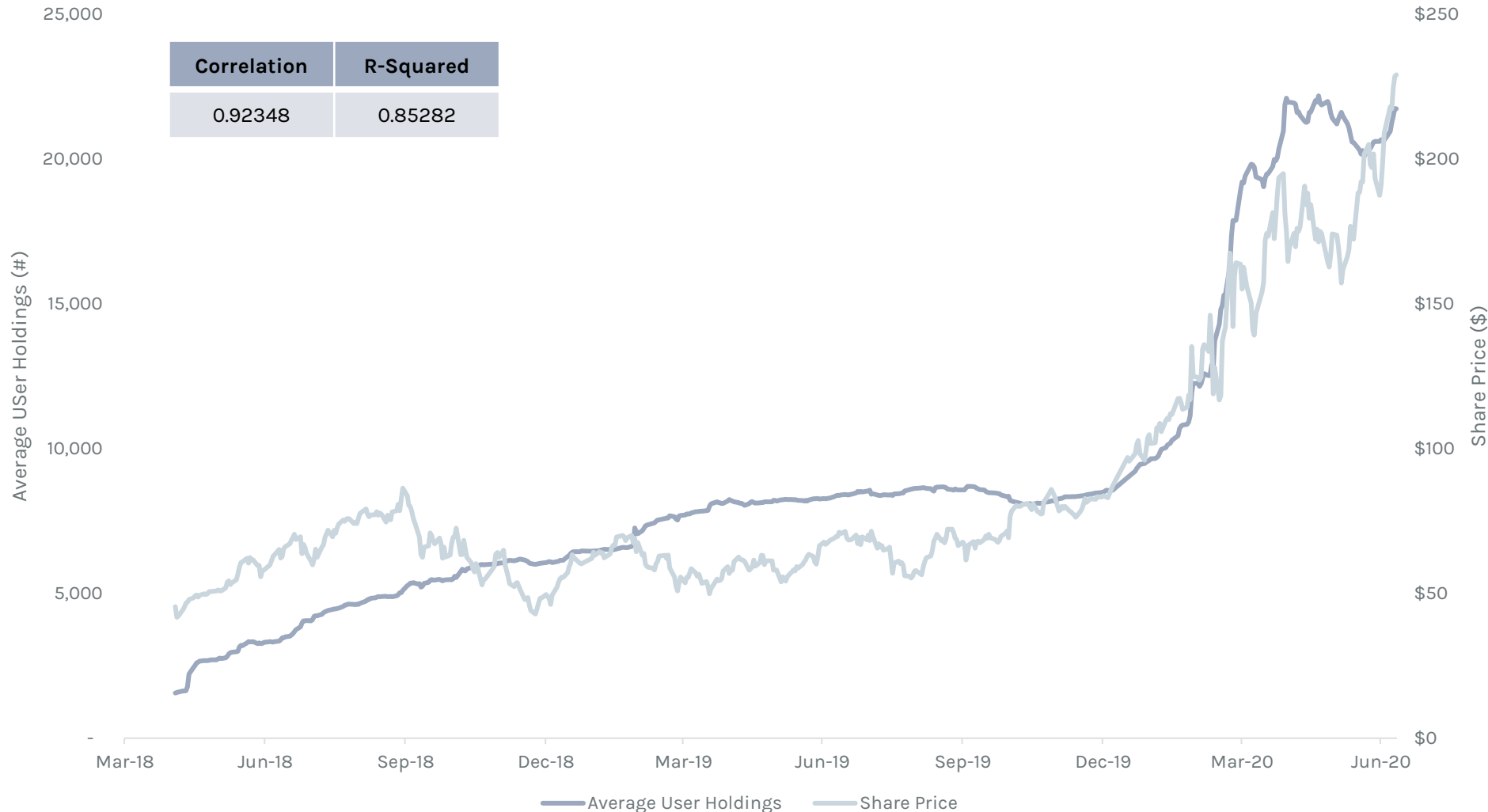
Management Guidance	
Clinical Test Volume	Withdrawn

Hedgeye	
Method 1: Seasonal Wkly Distr.	222,400
Method 2: Avg Per Day x Total	222,400
Method 3: QTD Vol / Ratio Days	222,400
Method 4: Last Wkly Data Pt	222,400
Method 5: Avg Wkly Vol Carry	222,400
Average	222,400



TDOC | Robinhood Tracker

As the only public Telehealth name, TDOC is a popular COVID trade



- Our Robinhood Tracker seeks to measure the impact retail investors have on commonly traded names.
- We have found an interesting correlation (~92%) in Teladoc's share price to the number of average daily Robinhood accounts that hold the stock.
- Another name in our space with a similar correlation is Gilead Sciences (GILD).

For more information, contact us at:

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