

# Youdao Inc.

**27.42** USD  
+0.59%

ISIN: US98741T1043  
Ticker: DAO

Sector: Technology Services  
Stock exchange: NYSE  
Market capitalization: 3.1 billion

## Key Metrics:

Performance YTD: 94.74%  
Estimated 2020 P/E: -

Earning per share: -0.96  
Price to book: 70.7

Net Debt: -23 million  
Return on Equity: -

## Fundamental analysis summary

Youdao, Inc. (NYSE: DAO) is a leading intelligent learning company in China dedicated to developing and using technologies to provide learning content, applications and solutions to users of all ages. Total net revenues in Q3 2020 were US\$132.0 million, a 159.0% increase from the same period in 2019. Gross margin in Q3 2020 was 45.9%, compared with 25.8% for the same period in 2019. Their operating loss margin was 99.8% in the third quarter of 2020, compared with 67.9% for the same period of last year. They have increased their top line but also considerably decreased their operating margin. Youdao invests aggressively in its growth as their strategy to cut short-term profits for long-term expansion.

## Technical analysis summary

The company made its IPO back in October 2019 for USD 17.-. The company's share price increased greatly in the 2020 summer following the listing of its parent company (NetEase) on the Hong Kong Stock Exchange. It corrected right after in August. Recently, the 9 MA crossed the 20 MA, indicating a potential move downwards. However, the average volume has increased since May 2020.

## Chart - Two years





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