

AD

Stocks That Will Make You Rich →

Jim Cramer Stocks to Buy →

How to Start a Hedge Fund →

HEDGE FUNDS - NEWS

Was The Smart Money Right About Zillow Group Inc (Z)?

Published on November 1, 2021 at 12:55 am by DEBASIS SAHA in Hedge Funds, News

f Share

🐦 Tweet

✉ Email

While the market driven by short-term sentiment influenced by the accommodative interest rate environment in the US, virus news and stimulus spending, many smart money investors are starting to get cautious towards the current bull run since March, 2020 and hedging or reducing many of their long positions. Some fund managers are betting on Dow hitting 40,000 to generate strong returns. However, as we know, big investors usually buy stocks with strong fundamentals that can deliver gains both in bull and bear markets, which is why we believe we can profit from imitating them. In this article, we are going to take a look at the smart money sentiment surrounding Zillow Group Inc (NASDAQ:Z).

Is **Zillow Group Inc (NASDAQ:Z)** the right pick for your portfolio? Prominent investors were becoming less hopeful. The number of bullish hedge fund positions fell by 6 lately. Zillow Group Inc (NASDAQ:Z) was in 76 hedge funds' portfolios at the end of the second quarter of 2021. The all time high for this statistic is 83. Our calculations also showed that Z isn't among the **30 most popular stocks among hedge funds** (click for Q2 rankings).

Why do we pay any attention at all to hedge fund sentiment? Our research has shown that a select group of hedge fund holdings outperformed the S&P 500 ETFs by 79 percentage points since March 2017 ([see the details here](#)). That's why we believe hedge fund sentiment is an extremely useful indicator that investors should pay attention to.



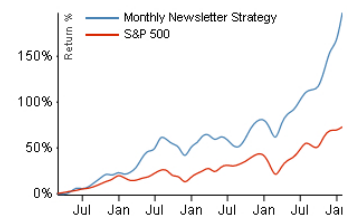
Philippe Laffont of Coatue Management

At Insider Monkey, we scour multiple sources to uncover the next great investment idea. For example, the demand for helium is soaring and there is a helium supply shortage, so we are checking out stock pitches like this **emerging helium stock**. We go through lists like the 10 **best EV stocks** to pick the next Tesla that will deliver a 10x return. Even though we recommend positions in only a tiny fraction of the companies we analyze, we check out as many stocks as we can. We read hedge fund investor letters and listen to stock pitches at hedge fund

AD

- 1 STOCKS THAT WILL MAKE YOU RICH >
- 2 JIM CRAMER STOCKS TO BUY >
- 3 HOW TO START A HEDGE FUND >
- 4 HEDGE FUNDS TO INVEST IN >
- 5 TOP PERFORMING HEDGE FUNDS >

Monthly Newsletter Strategy



Download a free copy of our newsletter and see the details inside!

Hedge Fund Resource Center

- [How to Best Use Insider Monkey to Increase Your Returns](#)
- [Why Track Hedge Funds?](#)
- [Download a Free Edition!](#)
- [Why You Should DUMP Your Hedge Funds](#)
- [6 Things You Didn't Know About Hedge Funds](#)

Billionaire Hedge Funds

Warren Buffett
Berkshire Hathaway
\$270,435,200,000



David Einhorn
Greenlight Capital
\$1,436,637,000



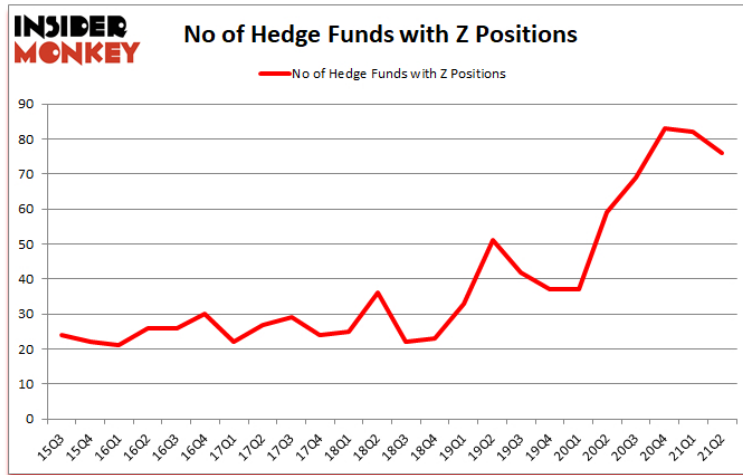
George Soros
Soros Fund Management



conferences. You can subscribe to our free daily newsletter on [our homepage](#). With all of this in mind let's take a peek at the fresh hedge fund action regarding Zillow Group Inc (NASDAQ:Z).

Do Hedge Funds Think Z Is A Good Stock To Buy Now?

Heading into the third quarter of 2021, a total of 76 of the hedge funds tracked by Insider Monkey were bullish on this stock, a change of -7% from the previous quarter. By comparison, 59 hedge funds held shares or bullish call options in Z a year ago. With hedge funds' positions undergoing their usual ebb and flow, there exists an "upper tier" of key hedge fund managers who were adding to their holdings considerably (or already accumulated large positions).



Of the funds tracked by Insider Monkey, Catherine D. Wood's O has the largest position in Zillow Group Inc (NASDAQ:Z), worth close to \$1.2405 billion, accounting for 2.3% of its total 13F portfolio. On ARK Investment Management's heels is O, led by Karthik Sarma, holding a \$892.8 million position; 13.2% of its 13F portfolio is allocated to the company. Other hedge funds and institutional investors that are bullish comprise Philippe Laffont's O, Gil Simon's O and Nancy Zevenbergen's O. In terms of the portfolio weights assigned to each position **Kuvari Partners** allocated the biggest weight to Zillow Group Inc (NASDAQ:Z), around 26.46% of its 13F portfolio. **SRS Investment Management** is also relatively very bullish on the stock, setting aside 13.23 percent of its 13F equity portfolio to Z.

Due to the fact that Zillow Group Inc (NASDAQ:Z) has faced bearish sentiment from hedge fund managers, it's easy to see that there were a few funds that slashed their full holdings last quarter. It's worth mentioning that Dan Loeb's **Third Point** said goodbye to the largest stake of the 750 funds tracked by Insider Monkey, comprising an estimated \$140.7 million in stock, and Andrew Weiss's Weiss Asset Management was right behind this move, as the fund dropped about \$83.6 million worth. These moves are intriguing to say the least, as total hedge fund interest fell by 6 funds last quarter.

Let's check out hedge fund activity in other stocks similar to Zillow Group Inc (NASDAQ:Z). These stocks are ANSYS, Inc. (NASDAQ:ANSS), Fomento Economico Mexicano SAB (NYSE:FMX), SVB Financial Group (NASDAQ:SIVB), Public Service Enterprise Group Incorporated (NYSE:PEG), Sun Life Financial Inc. (NYSE:SLF), **Ecopetrol** S.A. (NYSE:EC), and Nokia Corporation (NYSE:NOK). All of these stocks' market caps resemble Z's market cap.

Ticker	No of HFs with positions	Total Value of HF Positions (x1000)	Change in HF Position
ANSS	46	1459350	13
FMX	13	904303	-2
SIVB	49	1038598	0
PEG	26	393079	2
SLF	11	94573	-6
EC	6	95004	-2
NOK	26	494361	5
Average	25.3	639895	1.4

\$5,333,818,000	
Jim Simons Renaissance Technologies \$80,380,521,000	
Leon Cooperman Omega Advisors \$1,602,914,000	
Carl Icahn Icahn Capital LP \$23,848,300,000	
Steve Cohen Point72 Asset Management \$21,405,226,000	
John Paulson Paulson & Co \$4,354,438,000	
David Tepper Appaloosa Management LP \$6,963,499,000	
Paul Tudor Jones Tudor Investment Corp \$4,985,301,000	

[View table here](#) if you experience formatting issues.

As you can see these stocks had an average of 25.3 hedge funds with bullish positions and the average amount invested in these stocks was \$640 million. That figure was \$5244 million in Z's case. SVB Financial Group (NASDAQ:**SIVB**) is the most popular stock in this table. On the other hand **Ecopetrol** S.A. (NYSE:**EC**) is the least popular one with only 6 bullish hedge fund positions. Compared to these stocks Zillow Group Inc (NASDAQ:Z) is more popular among hedge funds. Our overall hedge fund sentiment score for Z is 76.5. Stocks with higher number of hedge fund positions relative to other stocks as well as relative to their historical range receive a higher sentiment score. Our calculations showed that **top 5 most popular stocks** among hedge funds returned 95.8% in 2019 and 2020, and outperformed the S&P 500 ETF (SPY) by 40 percentage points. These stocks gained 26.3% in 2021 through October 29th and still beat the market by 2.3 percentage points. Unfortunately Z wasn't nearly as popular as these 5 stocks and hedge funds that were betting on Z were disappointed as the stock returned -15.2% since the end of the second quarter (through 10/29) and underperformed the market. If you are interested in investing in large cap stocks with huge upside potential, you should check out the **top 5 most popular stocks** among hedge funds as most of these stocks already outperformed the market since 2019.

Follow Zillow Inc (NASDAQ:Z)

We may use your email to send marketing emails about our services. [Click here](#) to read our privacy policy.

Suggested Articles:

[Top 15 Serial Entrepreneurs In The World](#)

[10 Best Renewable Energy Stocks to Buy Now](#)

[10 Best Tech Stocks To Invest in Now](#)

Disclosure: None. This article was originally published at [Insider Monkey](#).

[Follow @insidermonkey](#)

19.4K followers

[Share](#)

[Tweet](#)

[Email](#)

[Is Z A Good Investment Right Now?](#)

[Is Z A Good Stock To Buy?](#)

[NASDAQ:Z](#)

[Sentiment Score Between 70 And 80](#)

Yahoo Finance

The Best Stock To Buy For The Next 10 Years

Published on October 31, 2021 at by [INAN DOGAN, PHD](#)

Today I am going to share three secrets to successful investing. We share our portfolio of 20-25 stock picks in our monthly newsletter since March 2017 and these stocks returned 191.6% cumulatively vs. 100.4% for the S&P 500 ETF (SPY) over the last 4.5 years.

Our stock picks returned 26.8% on an annualized basis, vs. 16.7% for the S&P 500 ETF. So, how did we manage to beat the market by more than 10 percentage points per year?

We aren't traders. Most of the times I have no idea which stocks are going to outperform the next day, week, or month.

We are long-term investors. We try to identify stocks that are going to outperform the market over the next one to 10 years.

Long-term investing isn't competitive at all. Short-term investors cause a lot of distortions in stock prices which create a lot of long-term investment opportunities. I call these long-term opportunities because I don't know when exactly the market will correct these pricing errors. We covered our shorts and loaded up on beaten down stocks at the end of March 2020 when the S&P 500 Index was trading at 2450. That's the #1 secret to our success.

On top of that short-term investors usually don't appreciate the long-term growth prospects of some stocks and these long-term compounders are underpriced. This is the #2 secret to our

success. In our monthly newsletter, we try to identify short-term dislocations as well as underpriced long-term compounders to generate high returns.

Stock market investors usually undervalue companies that have hidden assets. Companies that own stakes in other public and private companies, or that invest heavily in business units that aren't yet profitable (but growing very fast) are among these stocks. This is the #3 secret to our investing success.

Recently I came across a high growth stock that has tons of hidden assets and is trading at an extremely cheap valuation.

That's why I believe this is one of the best stocks to buy for the next 10 years.

[Click to continue reading...](#)