

## Catalent (CTLT : US\$24.84)

### Catalent jumps 24% in 2014

Catalent Inc, has now jumped US\$4.83 (or 24.1%) year to date in 2014 to close at US\$24.84. The volume YTD has been 0.2 times average trading of 490,555 shares.

### Introduction

**We are currently bullish on this stock in the short-term based on technical indicators, but are neutral in the long-term based on fundamental metrics**

**What makes us bullish on the stock is the following:**

- Its Moving Average Convergence Divergence indicators are rising, with its 12-day EMA higher than its 26-day EMA.
- Amongst stocks that are shorted, it was in the bottom quartile as a percentage of stock shorted, suggesting that there are fewer confident bears of the stock.
- In the last three months the number of rises outnumbered falls 18:10 or 1.8:1.

### Stock Summary

|                           |                   |
|---------------------------|-------------------|
| <b>Sector</b>             | Total NYSE Market |
| <b>Market Cap</b>         | US\$2.9 billion   |
| <b>Shares Outstanding</b> | 117,301,370       |

### MCap: A Historical Perspective

|      | Share Price (USD) | Market Cap (US\$) |
|------|-------------------|-------------------|
| Last | 24.8              | 2.9 billion       |

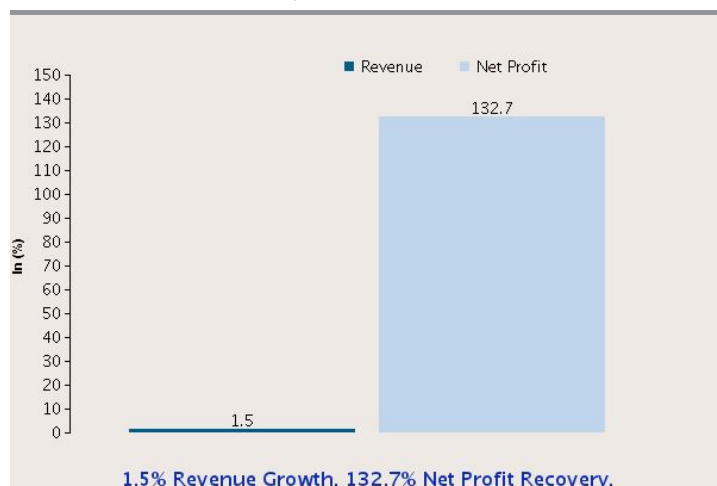
## Analysis

### Bullish Signals

- In the last 20 trading sessions there has been a net rise of 21.35%; the stock has advanced thirteen times and the biggest one day rise was 5.7% on Sep 15.
- The Moving Average Convergence Divergence (MACD) indicator of 12-day Exponential Moving Average (EMA) of 22.71 minus the 26-day EMA of 21.88 is positive suggesting a bullish signal. Both the 12-day EMA as well as the 26-day EMA are rising, another bullish signal.
- In the NYSE Short Selling market of 2746 stocks, short selling as a % of issued shares ranked 2223rd and within the bottom quartile of stocks. This means it was lower than market average of 0.42%, a bullish indicator.

### Other Bullish Signals:

### % Growth Y.O.Y, Revenue & Net Profit



### Bullish Indicators and Rank in Market:

| Description            | Value | Rank In Market |
|------------------------|-------|----------------|
| Price Change %         | 5.7   | In Top 2%      |
| %Prem To Vol Wtd Price | 14.0  | In Top 2%      |

### Bearish Signals

- The price is at a premium of 14.0% to the 1-month volume weighted average price of US\$21.80.
- The price has risen above the upper Bollinger band of US\$24.08; the stock is also overbought according to the Williams % R indicator of -1.0.
- The current short volume is 2.5 times its own historical average of 0.01%.

### Other Bearish Signals:

### Bearish Indicators and Rank in Market:

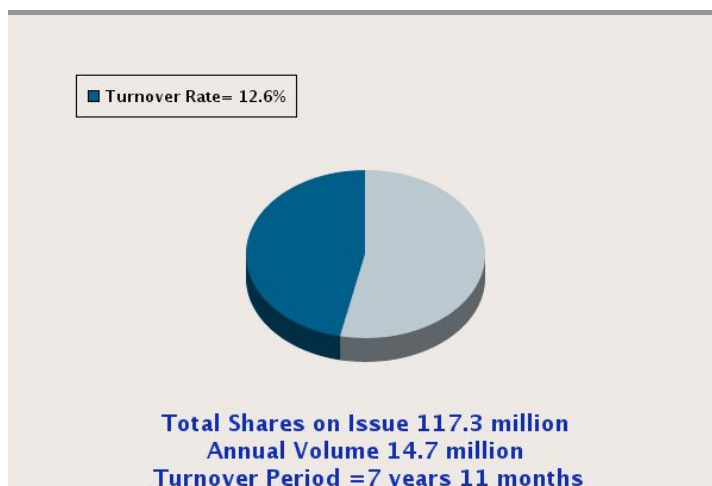
| Description  | Value | Rank In Market |
|--------------|-------|----------------|
| Volatility % | 5.5   | In Bottom 3%   |

### Note

### Neutral Indicators and Rank in Market:

| Description | Value           | Rank In Market  |
|-------------|-----------------|-----------------|
| MCap        | US\$2.9 billion | In 2nd Quartile |

### Turnover Rate & Turnover Period



### Trailing 3 months

|                         |                   |
|-------------------------|-------------------|
| Turnover                | US\$320.8 million |
| Volume                  | 14,716,460        |
| Volume Index (1 is avg) | 0.5               |

## Price Volume Trend: Trailing Quarter



## Recent Analyst Recommendations

| Date        | Brokerage            | Action             | Past Rating | Current Rating | Prev Target | Price Target |
|-------------|----------------------|--------------------|-------------|----------------|-------------|--------------|
| 09-Sep-2014 | Goldman Sachs        | Initiated Coverage | -           | Neutral        | -           | -            |
| 09-Sep-2014 | Wells Fargo & Co.    | Initiated Coverage | -           | Outperform     | -           | -            |
| 09-Sep-2014 | JPMorgan Chase & Co. | Initiated Coverage | -           | Overweight     | -           | 28           |
| 09-Sep-2014 | Piper Jaffray        | Initiated Coverage | -           | Overweight     | -           | 28           |
| 09-Sep-2014 | Bank of America      | Initiated Coverage | -           | Buy            | -           | 26           |
| 09-Sep-2014 | Deutsche Bank        | Initiated Coverage | -           | Hold           | -           | 25           |
| 09-Sep-2014 | Raymond James        | Initiated Coverage | -           | Outperform     | -           | 27           |
| 09-Sep-2014 | Jefferies Group      | Initiated Coverage | -           | Buy            | -           | 26.5         |
| 09-Sep-2014 | William Blair        | Initiated Coverage | -           | Outperform     | -           | -            |
| 09-Sep-2014 | Morgan Stanley       | Initiated Coverage | -           | Overweight     | -           | 27           |

## Company Overview

### Activities

Catalent Inc. provides delivery technologies and development solutions for drugs, biologics and consumer health products. The Company's oral, injectable, and respiratory delivery technologies address the diversity of the pharmaceutical industry including small molecules, large molecule biologics and consumer health products.

Further details can be found at  
[www.catalent.com](http://www.catalent.com).

### Regulatory Announcements

To view Recent Company Headlines, [click here](#)

September 08: Catalent, Inc. Reaffirms Its Guidance Post Underwriters' Exercise of Its Option to Purchase Additional Shares

September 04: Catalent Reports Fourth Quarter and Fiscal Year 2014 Results

August 25: Catalent, Inc. to Present at the Morgan Stanley 2014 Global Healthcare Conference

August 19: Catalent, Inc. Announces Fourth Quarter and Fiscal Year 2014 Earnings Conference Webcast

To view 8-K people news for Catalent, [click here](#)

August 05: Catalent appoints Melvin D. Booth as director 06 August 2014

August 05: Catalent appoints Jack Stahl as director 06 August 2014

August 05: Catalent appoints Rolf Classon as director 06 August 2014

To view 8-K other news for Catalent, [click here](#)

September 08: Catalent: Other Events

September 04: Catalent: Results of Operations and Financial Condition

### Issued Capital

Based on 117,301,370 issued equity shares the market capitalisation is US\$2.9 billion.



## Board and Management

**Chinh E. Chu**  
Chairman & Director

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**Jack Stahl**  
Director

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**Bruce McEvoy**  
Director

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**Melvin D. Booth**  
Director

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**Rolf Classon**  
Director

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**James Quella**  
Director

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**John R. Chiminski**  
Director

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