

Avalanche Biotechnologies (AAVL : US\$50.79)

Avalanche Biotechnologies soars 109% in 2014

Avalanche Biotechnologies Inc, NASDAQ's 5th largest healthcare-products company by market cap, has now soared US\$26.54 (or 109.4%) year to date in 2014 to close at US\$50.79. The volume YTD has been 0.4 times average trading of 109,245 shares. Compared with the NASDAQ-100 Index which has risen 14.8% YTD, this represents a relative price increase of 94.7%.

Introduction

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

What makes us most 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.
- The price to 50-day EMAP ratio is 1.3, a bullish indicator. The 50-day EMAP has increased to US\$38.18.

Stock Summary

Sector	Healthcare-Products
Market Cap	US\$1.1 billion
Shares Outstanding	22,257,278
ISIN	US05337G1076
Relative Strength (3 mo)	98

MCap: A Historical Perspective

	Share Price (USD)	Market Cap (US\$)
Last	50.8	1.1 billion

Bullish Signals

- The Moving Average Convergence Divergence (MACD) indicator of 12-day Exponential Moving Average (EMA) of 45.93 minus the 26-day EMA of 41.65 is positive suggesting a bullish signal. Both the 12-day EMA as well as the 26-day EMA are rising, another bullish signal.

Other Bullish Signals:

Bullish Indicators and Rank in Market:

Description	Value	Rank In Market
%Prem To Vol Wtd Price	19.6	In Top 3%
Volatility %	0.7	In Top 9%

Bearish Signals

- The price is at a premium of 19.6% to the 1-month volume weighted average price of US\$42.46. In the past year the premium has been greater than 19.6% just eight times, suggesting a topish level and cautious buying at the current price.
- The Stochastic indicator of 82.3 has broken through the overbought line of 80; the stock is also overbought according to the Williams % R indicator of -19.7.
- In the NASDAQ Short Selling market of 2425 stocks, short selling as a % of issued shares ranked 575th and within the top quartile of stocks. This means it was higher than market average of 0.52%, a bearish indicator.
- The current short volume is 2.4 times its own historical average of 0.2%. It climbed 4.8% from the previous day, soared 27.7% from a week ago and soared 44.9% from a month ago, a significant bearish indicator.

Other Bearish Signals:

Bearish Indicators and Rank in Market:

Description	Value	Rank In Market
Revenue Per Employee	US\$34,286	In Bottom 2%
Annual Revenue	US\$480,000	In Bottom 1%

Note

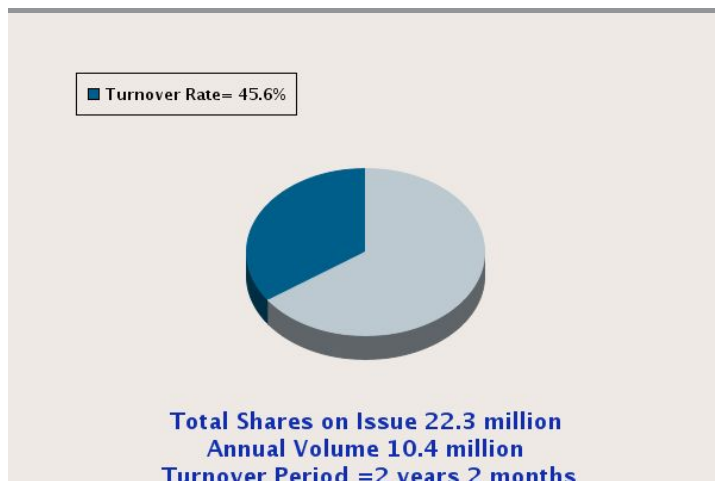
Neutral Indicators and Rank in Market:

Description	Value	Rank In Market
MCap	US\$1.1 billion	In 2nd Quartile
Turnover in Quarter	US\$271.4 million	In 3rd Quartile

Short Selling to Mcap



Turnover Rate & Turnover Period



Trailing 3 months

Turnover	US\$271.4 million
Volume	7,118,082
Volume Index (1 is avg)	1.0

Activities

Avalanche Biotechnologies Inc., develops gene therapies for the treatment of ophthalmologic disorders. The Company creates therapeutic protein for treatments of eye disease. Avalanche operates in the United States.

Economic Sector	Healthcare
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Regulatory Announcements

Conferences/Exhibitions

November 26: Avalanche Biotechnologies to Present at the 26th Annual Piper Jaffray Healthcare Conference

MENLO PARK, Calif., Nov. 26, 2014 -- Avalanche Biotechnologies, Inc. (Nasdaq:AAVL), a clinical-stage biotechnology company focused on discovering and developing novel gene therapies to transform the lives of patients with sight-threatening ophthalmic diseases, today announced that Thomas W. Chalberg, Jr., Ph.D., Founder and Chief Executive Officer, will present at the 26th Annual Piper Jaffray Healthcare Conference on Wednesday, December 3, 2014 at 1:30 pm EST in New York, NY.

Source: Nasdaq Stock Exchange

[For more details click here.](#)

Directors Option Buying

November 14: Avalanche Biotechnologies Director exercises options and buys shares

Avalanche Biotechnologies, Rubio Roman G., has been awarded Stock Option (Right to Buy) on 180,000 shares at an exercise price of US\$33.70. The exercise date is between October 03, 2014 and November 13, 2014.

Conferences/Exhibitions

November 13: Avalanche Biotechnologies to Present at the Jefferies Global Healthcare Conference

[News Story] MENLO PARK, Calif., Nov. 13, 2014 -- Avalanche Biotechnologies, Inc. (Nasdaq:AAVL), a clinical-stage biotechnology company focused on discovering and developing novel gene therapies to transform the lives of patients with sight-threatening ophthalmic diseases, today announced that Linda C.

[For more details click here.](#)

November 12: Avalanche Biotechnologies, Inc. Reports Third Quarter 2014 Financial Results

[News Story] MENLO PARK, Calif., Nov. 12, 2014 Avalanche Biotechnologies, Inc. (Nasdaq:AAVL), a clinical-stage biotechnology company focused on discovering and developing novel gene therapies to transform the lives of patients with sight-threatening ophthalmic diseases, today reported financial results and operational highlights for the quarter ended September 30, 2014.

"The third quarter of 2014 marked important progress in the history of Avalanche as a leader in the development of gene therapies for diseases of the eye," said Thomas W.

[For more details click here.](#)

Conferences/Exhibitions

October 30: Avalanche Biotechnologies to Participate in Nomura's Biotechnology Conference

[News Story] MENLO PARK, Calif., Oct. 30, 2014-- Avalanche Biotechnologies, Inc. (Nasdaq:AAVL), a clinical-stage biotechnology company focused on discovering and developing novel gene therapies to transform the lives of patients with sight-threatening ophthalmic diseases, today announced that Linda C. Bain, Chief Financial Officer, will participate in the "From Successful IPOs to Clinical Success: A Focus on New Crop of Companies Focused on Disorders of the Eye," panel discussion at Nomura's Biotechnology Conference on Thursday, November 6, 2014 at 10:00 am EST in Boston, MA. Source: Nasdaq Stock Exchange

[For more details click here.](#)

October 09: Avalanche Biotechnologies to Present at the Ophthalmology Innovation Summit at the American Academy of Ophthalmology 2014 Annual Meeting

[News Story]

MENLO PARK, Calif., Oct. 9, 2014-- Avalanche Biotechnologies, Inc. (Nasdaq:AAVL), a clinical-stage biotechnology company focused on discovering and developing novel gene therapies to transform the lives of patients with sight-threatening ophthalmic diseases, today announced that Thomas W.

[For more details click here.](#)

October 01: Avalanche Biotechnologies to Participate in Gene Therapy Panel at the BIO Investor Forum

[News Story] MENLO PARK, Calif., Oct. 1, 2014 Avalanche Biotechnologies, Inc. (Nasdaq:AAVL), a clinical-stage biotechnology company focused on discovering and developing novel gene therapies to transform the lives of patients with sight-threatening ophthalmic diseases, today announced that Thomas W. Chalberg, Jr., Ph.D., Founder and Chief Executive Officer, will participate in the "Gene Therapy Ascending? Today's Advancements Over Past Hurdles" panel at the 13th BIO Investor Forum on Wednesday, October 8, 2014 at 10:30 am PDT in San Francisco, CA.

Source: Nasdaq Stock Exchange

[For more details click here.](#)

8-K people news

September 26: Avalanche Biotechnologies appoints Roman G. Rubio as senior vice president 30 September 2014

Avalanche Biotechnologies has appointed Roman G. Rubio as Senior Vice President. The appointment takes effect from Sep 22, 2014.

8-K other news

November 12: Avalanche Biotechnologies: Results of Operations and Financial Condition

[News Story]

http://www.buysellsignals.net/hbn/8kviewer.jsp?doc=_Archives_edgar_data_1501756_000119312514408126_0001193125-14-408126.txt

Source: 8-K United States Securities and Exchange Commission

November 04: Avalanche Biotechnologies: Entry into a Material Definitive Agreement

[News Story]

http://www.buysellsignals.net/hbn/8kviewer.jsp?doc=_Archives_edgar_data_1501756_000119312514394981_0001193125-14-394981.txt

Source: 8-K United States Securities and Exchange Commission

September 11: Avalanche Biotechnologies: Results of Operations and Financial Condition

[News Story]

http://www.buysellsignals.net/hbn/8kviewer.jsp?doc=_Archives_edgar_data_1501756_000119312514338711_0001193125-14-338711.txt

Source: 8-K United States Securities and Exchange Commission

August 06: Avalanche Biotechnologies: Unregistered Sales of Equity Securities

[News Story]

http://www.buysellsignals.net/hbn/8kviewer.jsp?doc=_Archives_edgar_data_1501756_000119312514297583_0001193125-14-297583.txt

Source: 8-K United States Securities and Exchange Commission

Issued Capital

Based on 22,257,278 issued equity shares the market capitalisation is US\$1.1 billion.

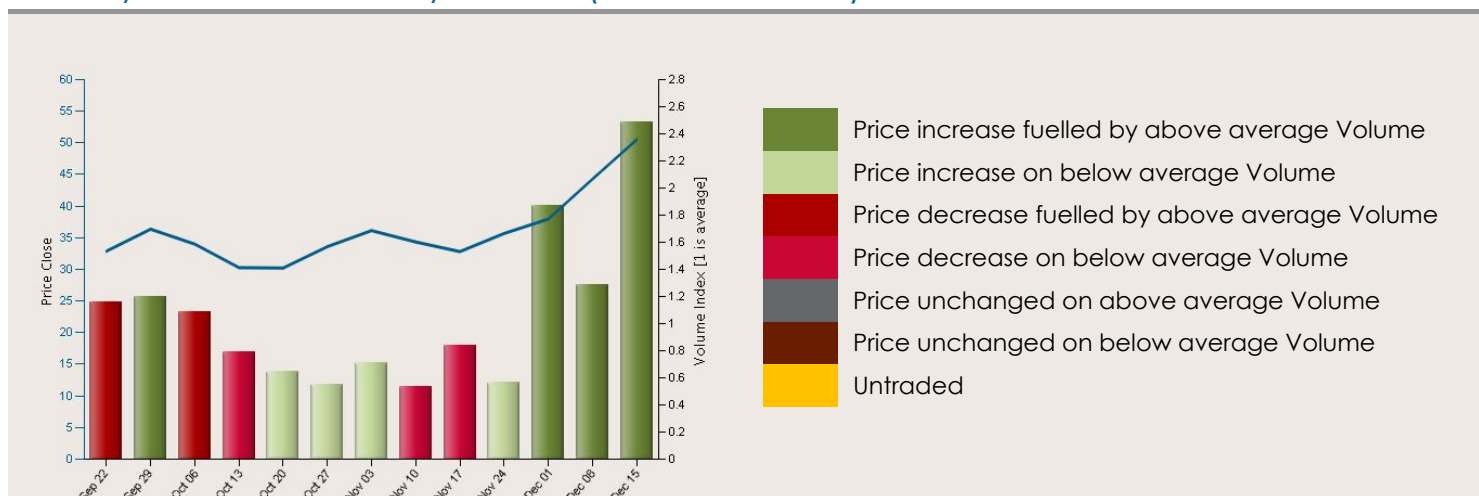
Source

[Www.BuySellSignals.com](http://www.BuySellSignals.com)

Price Volume Trend: Trailing Quarter



Weekly Price Volume Dynamics (Last 12 Weeks)



Recent Analyst Recommendations

Date	Brokerage	Action	Past Rating	Current Rating	Prev Target	Price Target
02-Dec-2014	Piper Jaffray	Boost Price Target	-	-	-	47

Board and Management

Thomas W. Chalberg CEO & Director

Dr. Chalberg is a co-founder of Avalanche and has been a member of our board of directors since July 2006. He has also served as our President and Chief Executive Officer since October 2010. Prior to joining Avalanche, from December 2005 to October 2010, Dr. Chalberg worked at Genentech, a publicly-traded biotechnology company, where he held a number of roles in ophthalmology and oncology, including Market Development Senior Manager for Lucentis and Avastin, Group Manager leading the Lucentis strategy team and Global Business Lead for Lucentis. From September 2001 to December 2005, Dr. Chalberg was a Howard Hughes Medical Institute Fellow at Stanford University, where his research focused on retinal diseases and new technologies for gene therapy. Dr. Chalberg is currently a member of the Board of Visionary Scientists for Hope for Vision, a nonprofit charity supporting vision research. Dr. Chalberg holds an A.B. in Biochemical Sciences from Harvard University, a Ph.D. in Genetics from the Stanford University School of Medicine and an M.B.A. from the Haas School of Business at the University of California, Berkeley. Dr. Chalberg has been chosen to serve on our board of directors due to his role as our President and Chief Executive Officer, as well as his many years of experience in ophthalmology research and development and commercialization.

Mark S. Blumenkranz Chairman & Director

Dr. Blumenkranz has served as a member of our board of directors since our inception in July 2006 and is a co-founder of Avalanche. Dr. Blumenkranz is a trained vitreoretinal surgeon and Chairman of the Department of Ophthalmology at the Byers Eye Institute at Stanford University. Prior to that, he served on the faculty of the Bascom Palmer Eye Institute in Miami, Florida. Previously, from October 1985 to August 1992, Dr. Blumenkranz founded and served as Director of the Vitreoretinal Fellowship Program at William Beaumont Hospital in Royal Oak, Michigan. From 2000 to 2004, Dr. Blumenkranz served on the scientific advisory board of Eyetech, a biopharmaceutical company. Dr. Blumenkranz currently serves on the boards of directors of Vantage Surgical Systems Inc., Oculogics, Inc., Presbia Holdings, Digsight Technologies Inc. and Oculeve, Inc., all privately held biotechnology or medical device companies. Dr. Blumenkranz received his A.B. in Biology, his M.M.S. in Biochemical Pharmacology and his M.D. all from Brown University, followed by a residency in ophthalmology at Stanford University. Dr. Blumenkranz has been chosen to serve on our board of directors due to his experience as a director and founder of several biotechnology companies, as well as his significant medical expertise in ophthalmology and biotechnology.

Linda C. Bain CFO

Ms. Bain has served as our Chief Financial Officer and Treasurer since April 2014. Linda has more than 20 years of finance, strategic business partner and audit experience in the biotech and pharmaceutical industries, in both large and small company settings. Prior to joining Avalanche, she served in a variety of senior finance management roles, most recently at bluebird bio where she helped lead the company through a successful IPO process. Preceding her tenure at bluebird bio, Ms. Bain was at Genzyme Corporation, Fidelity Investments and AstraZeneca Pharmaceuticals. Linda began her career as an auditor at Deloitte in Touche. She received her B.S. in Accounting and Business Administration and an Honors Degree in Accounting and Business Administration from the University of the Free State in South Africa. Ms. Bain is a Certified Public Accountant.

Steven D. Schwartz Director

Board and Management (continued)

Paul D. Wachter Director

Mr. Wachter has served as a member of our board of directors since April 2014. Mr. Wachter has been the Chief Executive Officer of Main Street Advisors, which he also founded, since 1997. Prior to forming Main Street Advisors, from June 1993 to March 1997, Mr. Wachter was Managing Director of Schroder & Co. Incorporated, an asset management company. From December 1991 to June 1993, Mr. Wachter was a managing director at Kidder, Peabody & Co., an investment banking firm. Since October 2010, Mr. Wachter has served on the board of directors and audit committee of Time Warner, Inc., a publicly-traded media company, and he also currently serves on the boards of directors of several private media companies, including Beats Electronics LLC and Haworth Marketing + Media. Mr. Wachter received his B.S. in Business Administration from the Wharton School of the University of Pennsylvania and his J.D. from the Columbia University School of Law. Mr. Wachter is a member of the New York State Bar and a Series 7 licensed stockbroker.

John P. McLaughlin Director

John P. McLaughlin was elected a director of the Company in October 2008. Mr. McLaughlin has been our President and Chief Executive Officer since December 18, 2008 after the Company spun-off Facet Biotech Corporation (Facet Biotech). From November 6, 2008 until the spin-off, he served as a Senior Advisor to the Company. He was the Chief Executive Officer and a director of Anesiva, Inc., formerly known as Corgentech, Inc., a publicly-traded biopharmaceutical company, from January 2000 to June 2008. From December 1997 to September 1999, Mr. McLaughlin was President of Tularik Inc., a biopharmaceutical company. From September 1987 to December 1997, Mr. McLaughlin held a number of senior management positions at Genentech, Inc., a biopharmaceutical company, including Executive Vice President and General Counsel. From January 1985 to September 1987, Mr. McLaughlin was a partner at a Washington, D.C. law firm specializing in food and drug law. Prior to that, Mr. McLaughlin served as counsel to various subcommittees in the United States House of Representatives, where he drafted numerous measures that became FDA laws. Mr. McLaughlin cofounded and served as Chairman of the Board of Directors of Eyetech Pharmaceuticals, Inc., a publicly-traded biopharmaceutical company subsequently bought by OSI Pharmaceuticals, Inc. He also co-founded and served as a director of Peak Surgical, Inc., a privately-held medical device company subsequently purchased by Medtronic, Inc. He also served as a director of AxoGen, Inc., a publicly-traded biopharmaceutical company. Mr. McLaughlin currently serves as a director of Seattle Genetics, Inc., a publicly-traded biopharmaceutical company, and Avalanche Biotechnologies, Inc., a publicly-traded biopharmaceutical company. He received a B.A. from the University of Notre Dame and a J.D. from the Catholic University of America.

Roman G. Rubio Senior Vice President

Dr. Rubio, age 43, joins the Company after eleven years at Genentech, Inc., a biotechnology company and member of the Roche Group ("Genentech"), where he served most recently as Global Head of Ophthalmology from March 2014 until September 2014. In this role, he was responsible for leading clinical development and overseeing medical affairs for the Lucentis(Registered) and lmpalizumab programs. Prior to this, Dr. Rubio served in Genentech's Immunology, Infectious Diseases & Ophthalmology business unit in several roles, including Group Director from October 2009 to March 2014, and Medical Director from June 2006 to September 2009. Dr. Rubio received his M.D. from the University of California, San Francisco, an M.B.A. from The Wharton School of the University of Pennsylvania, an M.S. from the University of California, Berkeley, and a B.S. from the University of Notre Dame.

Creation of shareholder value in Avalanche Biotechnologies:

Since appointment as Senior Vice President: The present value of USD1,000 invested on the appointment date of September 22, 2014 at close price of US\$32.88 is US\$1,545, for a capital gain of US\$545.

Financial Results (Annual)

31 December, 2013

INCOME STATEMENT

Currency in Thousand of USD	2013-12-31	2012-12-31	Change %
License revenue			
Government grant revenue	480	30	Up 1,500.0
Total revenue	480	30	Up 1,500.0
Operating expenses:			
Research and development	2,151	1,310	Up 64.2
General and administrative	1,783	536	Up 232.6
Total operating expenses	3,934	1,846	Up 113.1
Operating loss	-3,454	-1,816	Deterioration 90.2
Other (expense) income:			
Interest expense	73	8	Up 812.5
Other income (expense), net	-96	7	Deterioration
Change in fair value of embedded derivative	18	6	Up 200.0
Loss on extinguishment of related-party convertible	-1,671		
Total other (expense) income, net	-1,822	5	Deterioration 191.3
Net loss	-5,276	-1,811	Deterioration 191.3
Other comprehensive income (loss):			
Foreign currency translation adjustment	19	8	Up 137.5
Comprehensive loss	-5,257	-1,803	Deterioration 191.6
Net loss per share attributable to common stockholdersbasic and diluted	-144.0c	-50.0c	Deterioration 188.0
Weighted-average common shares outstandingbasic and diluted	3,672,885	3,642,503	Up 0.8
Pro forma net loss per share attributable to common stockholdersbasic and diluted	-0.74		
Pro forma weighted-average common shares outstanding basic and diluted	6,889,774		

BALANCE SHEET

Currency in Thousand of USD	2013-12-31	2012-12-31	Change %
ASSETS			

Financial Results (Annual) (continued)

31 December, 2013

Current assets:

Cash	564	357	Up 58.0
Accounts receivable	8	1	Up 700.0
Prepaid expenses and other current assets	250	24	Up 941.7
Total current assets	822	382	Up 115.2
Property and equipment, net	69	4	Up 1,625.0
Deposit and other assets	194		
Total assets	1,085	386	Up 181.1

LIABILITIES, CONVERTIBLE PREFERRED STOCK AND STOCKHOLDERS' EQUITY

(DEFICIT)

Current liabilities:

Accounts payable	769	522	Up 47.3
Accrued expenses and other current liabilities	393	317	Up 24.0
Total current liabilities	1,162	839	Up 38.5

Long-term liabilities:

Related-party convertible notes		485	
Common stock warrant liability	42	5	Up 740.0
Convertible preferred stock warrant liability	91	36	Up 152.8
Embedded derivative liability		18	
Deferred rent	8		
Total liabilities	1,303	1,383	Down 5.8

Commitments and contingencies

Convertible preferred stock

Series A convertible preferred stock, par value 0.0001 per share 2,123,681 and

4,233,295 and 4,233,295 shares authorized at December 31, 2012, December 31,

2013 and March 31, 2014 (unaudited), respectively; 1,789,618 and 3,899,232 and

3,899,232 shares issued and outstanding at December 31, 2012 and December 31,

2013 and March 31, 2014 (unaudited), respectively; (liquidation preference of 2,595

and 5,654 and 5,654 at December 31, 2012 and December 31, 2013 and

March 31, 2014 (unaudited), respectively); no issued and outstanding, pro forma

(unaudited)	7,992	2,471	Up 223.4
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Stockholders' deficit:

Common stock, par value 0.0001 per share 8,068,951 and 15,000,000 and

15,000,000 shares authorized at December 31, 2012, December 31, 2013 and

March 31, 2014 (unaudited), respectively; 3,672,885 shares issued and outstanding

Financial Results (Annual) (continued)

31 December, 2013

at December 31, 2012, December 31, 2013 and March 31, 2014
(unaudited),

respectively; 14,769,043 issued and outstanding, pro forma
(unaudited)

Additional paid-in capital	632	117	Up 440.2
Accumulated other comprehensive income	27	8	Up 237.5
Deficit accumulated during the development stage	-8,869	-3,593	Deterioration 146.8
Total stockholders' equity (deficit)	-8,210	-3,468	Deterioration 136.7
Total liabilities, convertible preferred stock and stockholders' equity (deficit)	1,085	386	Up 181.1

CASH FLOW

Currency in Thousand of USD	2013-12-31	2012-12-31	Change %
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net loss	-5,276	-1,811	Deterioration 191.3
Adjustments to reconcile net loss to net cash used in operating activities:			
Depreciation	26	1	Up 2,500.0
Stock-based compensation	515	76	Up 577.6
Non-cash research and development expense		8	
Non-cash interest expense	53	5	Up 960.0
Amortization of debt issuance costs	20	3	Up 566.7
Change in fair value of embedded derivative liability	-18	-6	Deterioration 200.0
Change in fair value of warrants liabilities	92	-13	Recovery
Loss on extinguishment of related-party convertible notes	1,671		
Non-cash collaboration acquisition costs associated with sale of Series A convertible preferred stock			
	812		
Changes in operating assets and liabilities:			
Accounts receivable	-7		
Prepaid expenses and other assets	-293	-18	Deterioration 1,527.8
Deposit	-144		
Accounts payable	286	445	Down 35.7
Accrued expenses and other liabilities	80	43	Up 86.0
Deferred rent	8		
Net cash used in operating activities	-2,175	-1,267	Deterioration 71.7
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of property and equipment	-91	-3	Deterioration 2,933.3
Net cash used in investing activities	-91	-3	Deterioration 2,933.3

Financial Results (Annual) (continued)

31 December, 2013

CASH FLOWS FROM FINANCING ACTIVITIES:

Proceeds from issuance of convertible preferred stock	1,000		
Issuance costs related to convertible preferred stock	-20		
Proceeds from issuance of convertible notes			
Proceeds from issuance of related-party convertible notes	1,500	500	Up 200.0
Net cash provided by financing activities	2,480	500	Up 396.0
Effect of foreign exchange rate on cash	-7	9	Deterioration
NET INCREASE (DECREASE) IN CASH	207	-761	Recovery
CASH Beginning of period	357	1,118	Down 68.1
CASH End of period	564	357	Up 58.0

EBITDA AND MARGINS

	2013-12-31	2012-12-31
Net Income Margin %	-1,099.17	-6,036.67

PERFORMANCE RATIOS

	2013-12-31	2012-12-31	Change %
Return on Assets (%)	-486.27	-469.17	Deterioration 3.6
Total Liabilities to Operating Cash Flow	-0.6	-1.09	Reduced 45.1
Total Liabilities/Total Assets	1.2	3.58	Down 66.5
Current Ratio	0.71	0.46	Up 55.4

PER SHARE FIGURES

	2013-12-31	2012-12-31	Change %
Revenue from operating activities	13.07c	0.82c	
Cash	15.36c	9.80c	Up 56.7
Working Capital	-9.26c	-12.55c	Reduced 26.2
Shareholders' Funds	-223.53c	-95.21c	Deterioration 134.8
Total Liabilities	35.48c	37.97c	Down 6.6
Total Assets	29.54c	10.60c	Up 178.8
Net Tangible Assets	-223.53c	-95.21c	Deterioration 134.8
EPS Final	-144.0c	-50.0c	Deterioration 188.0

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