

## Agile Therapeutics (AGRX : US\$10.0)

### Agile Therapeutics soars 69% in 2014

Agile Therapeutics Inc, NASDAQ's 34th largest healthcare-products company by market cap, has now soared US\$4.10 (or 69.5%) year to date in 2014 to close at US\$10.0. The volume YTD has been 0.4 times average trading of 121,381 shares.

Compared with the NASDAQ-100 Index which rose 264 points (or 7.0%) in the quarter, this represented a relative price change of 62.8%. In 2014 the market cap has jumped US\$76.2 million.

### 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.
- 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.
- The price to 50-day EMAP ratio is 1.0, a bullish indicator. The 50-day EMAP has increased to US\$9.67.

**However, there are some reasons why we remain bearish on the stock for the long-term:**

- The Q Ratio, defined by James Tobin as MCap divided by Total Assets, is 12.9. Compared with the rest of the market the stock is overvalued and ranks in the bottom 2% of stocks by value of Q Ratio.

### Stock Summary

<b>Sector</b>	Healthcare-Products
<b>Market Cap</b>	US\$185.9 million
<b>Shares Outstanding</b>	18,592,059
<b>ISIN</b>	US00847L1008
<b>Relative Strength (3 mo)</b>	99

### MCap: A Historical Perspective

	Share Price (USD)	Market Cap (US\$)
Last	10.0	185.9 million

# Analysis

## Bullish Signals

- In the last 17 trading sessions there has been a net rise of 52.21%; the stock has advanced six times and the biggest one day rise was 30.3% on Aug 28.
- The Moving Average Convergence Divergence (MACD) indicator of 12-day Exponential Moving Average (EMA) of 8.92 minus the 26-day EMA of 8.22 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 NASDAQ Short Selling market of 2460 stocks, short selling as a % of issued shares ranked 1861st and within the bottom quartile of stocks. This means it was lower than market average of 0.53%, a bullish indicator.
- The current short volume is 0.7 times its own historical average of 0.04%.

## Other Bullish Signals:

### Bullish Indicators and Rank in Market:

Description	Value	Rank In Market
%Prem To Vol Wtd Price	25.4	In Top 2%
Price Change %	0.3	In Top Quartile

## Bearish Signals

- The price is at a premium of 25.4% to the 1-month volume weighted average price of US\$7.97. In the past year the premium has been greater than 25.4% just four times, suggesting a topish level and cautious buying at the current price.
- The stock is overbought according to the Williams % R indicator of -14.5.

## Overvaluation:

- The Q Ratio, defined by James Tobin as MCap divided by Total Assets, is 12.9. Compared with the rest of the market the stock is overvalued and ranks in the bottom 2% of stocks by value of Q Ratio.

## Other Bearish Signals:

- Return on Assets and Return on Capital Employed has been negative in recent years.

## Annual Trend:

[Year ended, all figures in %]:

Year	ROE	ROA	ROCE
Dec 13	-	-99.4	-168.2
Dec 12	-224.7	-86.7	-91.3

The stock has a score of merely 2 out of 9 set by Joseph Piotroski [pass mark  $\geq 5$ ]:

Improvement in long-term debt to total assets from 0.5 to 0.7;  
Total shares on issue unchanged.

## Bearish Indicators and Rank in Market:

Description	Value	Rank In Market
Price/MAP50	0.81	In Bottom Quartile
Turnover in Quarter	US\$66.4 million	In Bottom Quartile

## Note

### Neutral Indicators and Rank in Market:

Description	Value	Rank In Market
MCap	US\$185.9 million	In 3rd Quartile

## Insider Trades



## Analysis (continued)

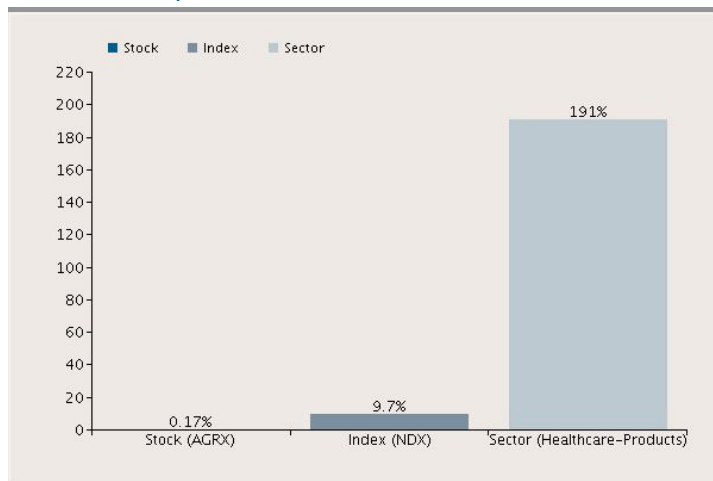
### Turnover Rate & Turnover Period



### Trailing 3 months

<b>Turnover</b>	US\$66.4 million
<b>Volume</b>	7,381,710
<b>Volume Index (1 is avg)</b>	1.0

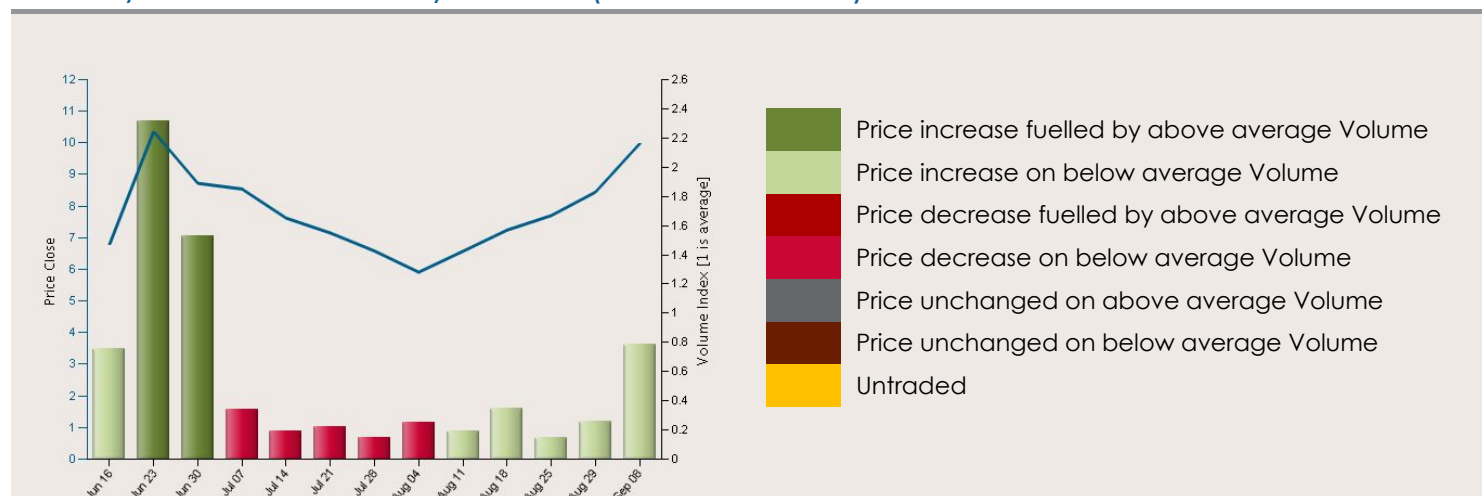
### YTD Comparison Stock Sector Index



## 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
17-Jun-2014	RBC Capital	Initiated Coverage	-	Outperform	-	12
17-Jun-2014	William Blair	Initiated Coverage	-	Outperform	-	-
17-Jun-2014	Janney Montgomery Scott	Initiated Coverage	-	Buy	-	18
17-Jun-2014	Cantor Fitzgerald	Initiated Coverage	-	Buy	-	17

## Company Overview

### Activities

Agile Therapeutics Inc. develops women's healthcare products. The Company provides contraceptive patch containing the active ingredients levonorgestrel and ethinyl estradiol, as well as progestin-only birth control patch. Agile Therapeutics discovers and develops a pipeline of investigational contraceptive products in the United States.

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

### Regulatory Announcements

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

July 16: Agile Therapeutics Announces Allowance of Additional Patent Claims for Skinfusion(Registered)

June 30: Agile Therapeutics Joins Russell Microcap(Registered) Index

June 20: Agile Therapeutics Announces Issuance of New Patent for Its Skinfusion(R) Transdermal Delivery Device

June 18: Agile Therapeutics to Participate at the Janney Capital Markets Boston Healthcare 1X1 Corporate Access Day

June 02: Agile Therapeutics substantial shareholder buys

May 29: Agile Therapeutics insider buys

May 29: Agile Therapeutics substantial shareholder buys

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

August 14: Agile Therapeutics: Results of Operations and Financial Condition

### Issued Capital

Based on 18,592,059 issued equity shares the market capitalisation is US\$185.9 million.

## Board and Management

### Alfred Altomari CEO & President & Director



Alfred Altomari has served as our Chief Executive Officer and as a member of our board of directors since October 2010. Prior to being named President and Chief Executive Officer, Mr. Altomari served as Agile's Executive Chairman from 2004 to 2010. From 2008 to September 2010, Mr. Altomari was also a consultant. From 2003 to 2008, Mr. Altomari held multiple senior management positions at Barrier Therapeutics, Inc., including Chief Commercial Officer, Chief Operating Officer, and Chief Executive Officer. In 2008, in his role as Chief Executive Officer and as a member of Barrier's board of directors, Mr. Altomari completed the successful sale of Barrier to Stiefel Laboratories, which was subsequently acquired by GlaxoSmithKline plc. From 1982 to 2003, Mr. Altomari held numerous executive roles in general management, commercial operations, business development, product launch preparation, and finance with Johnson & Johnson. Mr. Altomari also serves on the board of directors of Insmid Inc. and Recro Pharma, Inc. Mr. Altomari received an M.B.A. from Rider University and his B.S. from Drexel University.

### Scott M. Coiante CFO & Vice President



Scott M. Coiante has served as our Vice President and Chief Financial Officer since June 2011. He joined us in December 2010 and served as our Vice President of Finance between then and June 2011. Beginning in 2005, he served as Vice President Finance, Treasurer, Principal Accounting Officer at Medarex, Inc., a publicly listed biopharmaceutical company, which Bristol-Myers Squibb Co., acquired in September 2009 and during 2002 through 2005, he served as Director of Finance. While at Medarex, he was responsible for corporate financial functions including treasury, accounting, SEC reporting, tax and assurance. From 1989 to 2002, he held management positions of increasing responsibilities at Ernst & Young LLP, which included managing audit engagements, financial preparation, and financial reporting for client public offerings, both initial and follow-on, and SEC registration filing statements for both public and private companies, predominantly within the life science and pharmaceutical industries. He holds a B.S. in accounting from Villanova University.

### William T. McKee Director

William T. McKee has served as a member of our board of directors since March 2014. Mr. McKee served as Chief Operating Officer and Chief Financial Officer for EKR Therapeutics, Inc., or EKR, from July 2010 until June 2012 when EKR was sold to Cornerstone Therapeutics Inc., or Cornerstone. He has served as a financial consultant to Cornerstone from June 2012 to the present. Until March 2010, Mr. McKee served as the Executive Vice President and Chief Financial Officer of Barr Pharmaceuticals, LLC, a subsidiary of Teva Pharmaceutical Industries Limited, or Teva, and the successor entity to Barr Pharmaceuticals, Inc., or Barr, a NYSE listed company, which was acquired by Teva in December 2008. Mr. McKee was also Executive Vice President and Chief Financial Officer of Barr prior to its acquisition by Teva, after having served in positions of increasing responsibility at Barr from 1995 until its acquisition. Prior to joining Barr, Mr. McKee served as Director of International Operations and Vice President-Finance at Absolute Entertainment, Inc. from June 1993 until December 1994. From 1990 until June 1993, Mr. McKee worked at Gramkow & Carnevale, CPA's, and from 1983 until 1990, he worked at Deloitte & Touche. Mr. McKee currently serves as a director of Auxilium Pharmaceuticals, Inc., and Cerulean Pharma, Inc. Mr. McKee received his Bachelor of Business Administration degree from the University of Notre Dame. Through his years of experience as a chief financial officer and a public accountant, Mr. McKee provides valuable financial and leadership experience to the Board.



## Board and Management (continued)

### Andrew Schiff Director

Andrew Schiff, M.D. has served as a member of our board of directors since July 2012. Dr. Schiff joined Aisling Capital, a healthcare focused private equity firm, in September of 1999 and has served as a Managing Partner since 2002. Prior to Aisling Capital, Dr. Schiff practiced internal medicine at The New York Presbyterian Hospital where he maintains his position as a Clinical Assistant Professor of Medicine. Dr. Schiff currently serves as a director of Zeltiq Aesthetics as well as several other portfolio companies. Dr. Schiff received his M.D. from Cornell University Medical College, his M.B.A. from Columbia University, and his B.S. with honors in Neuroscience from Brown University. He is a long-time supporter of the Visiting Nurse Service of New York as well as other charitable organizations. We believe Dr. Schiff's medical background, venture experience, and myriad of directorships make him qualified to serve on our Board.

### Abhijeet Lele Director

Abhijeet Lele has been a member of our board of directors since May 2010. Since 2009, Mr. Lele has served as a Managing Director and Head of Healthcare Investing at Investor Growth Capital, or IGC. IGC focuses on late-stage venture capital and growth equity investments in healthcare and technology companies. Before joining IGC, Mr. Lele spent ten years as a Managing Member of EGS Healthcare Capital Partners, or EGS, a venture capital firm focusing on private and public investments in biotechnology, specialty pharmaceutical and medical device companies. Prior to EGS, Mr. Lele was a consultant at McKinsey & Co., where he primarily served medical device, pharmaceutical and health insurance clients. He previously held operating positions with Lederle Laboratories, Inc., Progenics Pharmaceuticals, Inc. and Clontech Laboratories, Inc. Mr. Lele previously served on the board of directors of Stereotaxis, Inc., Medarex Inc. and Aptalis Pharma Inc. He received an M.B.A. with Distinction from Cornell University and an M.A. from Cambridge University, where he studied Natural Sciences. We believe Mr. Lele's years of experience in the venture capital and healthcare industries make him qualified to serve on our Board.

### Karen Hong Director

Karen Hong, Ph.D. has served as a member of our board of directors since May 2006. Dr. Hong joined ProQuest Investments in 2001, was promoted to Principal in 2004, and to Partner in 2013. She and her team at ProQuest have guided over thirty investments to a successful exit and Dr. Hong has led working teams on many of these exits. Prior to joining ProQuest Investments, Dr. Hong provided technical consultation to the healthcare group at BancBoston Ventures and conducted biomedical research in cancer and mammalian genetics. Dr. Hong also serves on the board of directors of Clarus Therapeutics. Dr. Hong received a B.S. in chemistry and a B.A. in molecular biology from the University of California at Berkeley. She received a Ph.D. in biology from the Massachusetts Institute of Technology. Dr. Hong's scientific background and business experience, coupled with her experience as a venture capitalist advising life science and technology companies, provides her with the qualifications and skills to serve as a director.

## Board and Management (continued)

### Elizabeth Garner Senior Vice President



Elizabeth Garner, M.D., M.P.H. has served as our Chief Medical Officer since January 2014. Previously, she served as Vice President, Medical Affairs, Women's Health and Preventive Care at Myriad Genetics Laboratories from 2012 to 2014. From 2011 to 2012, she was Senior Medical Director, Women's Health at Abbott Laboratories where she served as the Clinical Lead, Endometriosis Program. Prior to that, Dr. Garner served as Associate Director and then Director, Vaccines Clinical Research at Merck Research Laboratories from 2007 to 2011. Dr. Garner received joint M.D. and M.P.H degrees from Harvard Medical School and the School of Public Health. She completed her residency in obstetrics and gynecology at Brigham and Women's/Massachusetts General Hospitals; her subspecialty fellowship in gynecologic oncology at Brigham and Women's and the Dana Farber Cancer Institute; and received board certification in both general Obstetrics and Gynecology and Gynecologic Oncology. Prior to entering the pharmaceutical industry, she had several years of experience in academic clinical practice, research and teaching at Harvard Medical School.



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