

Alder Biopharmaceuticals (ALDR : US\$26.45)

Alder Biopharmaceuticals sinks 9% in 2015

Alder Biopharmaceuticals Inc, NASDAQ's 13th largest healthcare-products company by market cap, has now sank US\$2.55 (or 8.8%) year to date in 2015 to close at US\$26.45. The volume YTD has been 1.7 times average trading of 176,679 shares. Compared with the NASDAQ-100 Index which has risen 4.0% YTD, this represents a relative price change of -12.8%. In 2015 the market cap has jumped US\$104 million.

Introduction

We are currently bearish on this stock, both in the short-term based on technical indicators, as well as in the long-term based on fundamental metrics

What makes us most bearish on the stock is the following:

- Its Moving Average Convergence Divergence indicators are falling, with its 12-day EMA lower than its 26-day EMA.
- In the last three months the number of falls outnumbered rises 33:28 or 1.18:1.

However, there are some reasons why some in the market are more bullish on the stock:

- It is beating 98% of the market the past 6 months.

Stock Summary

Sector	Healthcare-Products
Market Cap	US\$997.3 million
Shares Outstanding	37,706,533
ISIN	US0143391052
Relative Strength (3 mo)	95

Financial Summary

Year ended	Dec 2013	Dec 2012	Dec 2011
Sales (USD)	18.8M	20.07M	21.82M
Pretax (USD)	(20.61M)	(17.81M)	(13.32M)
Net (USD)	(20.61M)	(17.81M)	(13.32M)
EPS (USD)	(0.71)	(0.61)	(0.46)

MCap: A Historical Perspective

	Share Price (USD)	Market Cap (US\$)
Last	26.4	997.3 million

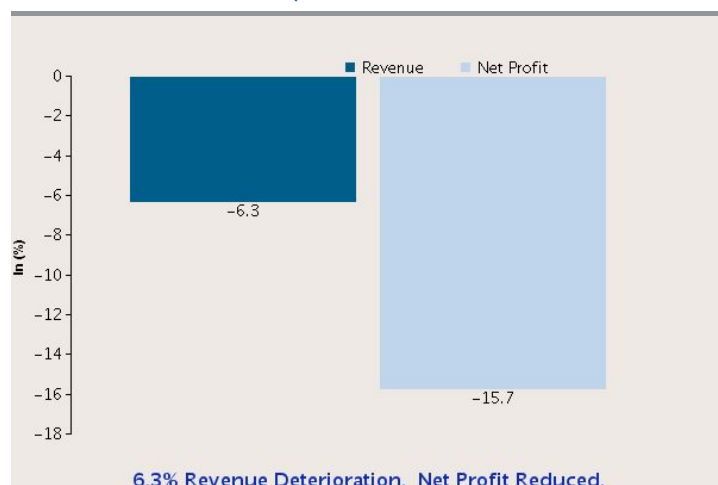
Analysis

Bullish Signals

- In the NASDAQ market of 2,420 stocks traded today, the stock has a 6-month relative strength of 98 which means it is beating 98% of the market.
- A price rise combined with a high relative strength is a bullish signal.
- The Price/MAP of 0.96 for ALDR is higher than the Price/MAP for the NASDAQ-100 Index of 0.9.

Other Bullish Signals:

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



Bullish Indicators and Rank in Market:

Description	Value	Rank In Market
Relative Strength (6M)	98	In Top 3%
Price Change %	2.7	In Top 8%

Bearish Signals

- Falls to Rises: In the last three months the number of falls outnumbered rises 33:28 or 1.18:1.
- The Moving Average Convergence Divergence (MACD) indicator of 12-day Exponential Moving Average (EMA) of 26.64 minus the 26-day EMA of 26.68 is negative suggesting a bearish signal. Both the 12-day EMA as well as the 26-day EMA are falling, another bearish signal.
- The price to 200-day MAP ratio is 0.96. In the past 200 days this ratio has been under 0.96 just seven times suggesting a support level.
- The current short volume is 1.4 times its own historical average of 0.2%. It soared 27.2% from the previous day, soared 57.5% from a week ago and soared 31.5% from a month ago, a significant bearish indicator.

Overvaluation:

- Price/Sales of 53.05 versus sector average of 1.5 and market average of 2.4.

Other Bearish Signals:

The stock has a score of merely 1 out of 9 set by Joseph Piotroski [pass mark ≥ 5]:

Total shares on issue unchanged.

Bearish Indicators and Rank in Market:

Description	Value	Rank In Market
Price/MAP50	0.7	In Bottom Quartile
Annual Revenue	US\$18.8 million	In Bottom Quartile
Volatility %	7.7	In Bottom Quartile

Note

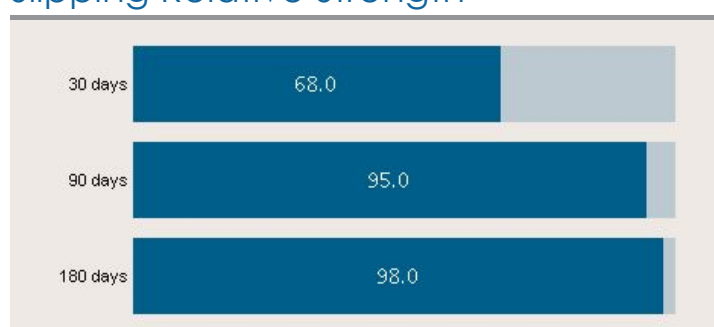
Neutral Indicators and Rank in Market:

Description	Value	Rank In Market
MCap	US\$997.3 million	In 2nd Quartile
Turnover in Quarter	US\$504.8 million	In 3rd Quartile

Insider Trades

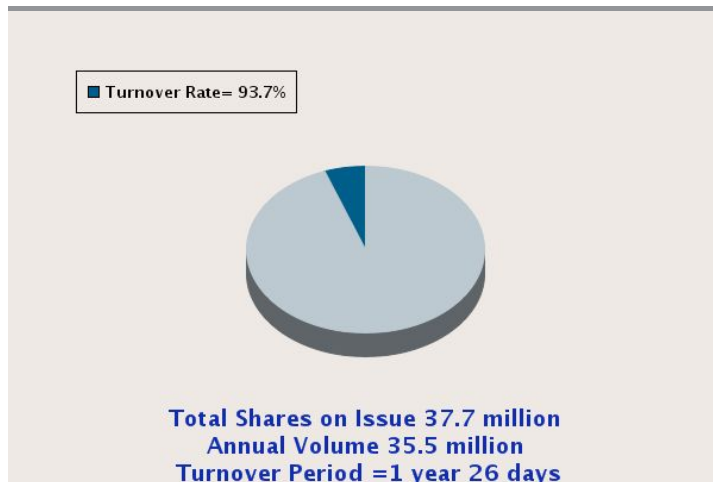


Slipping Relative Strength



Analysis (continued)

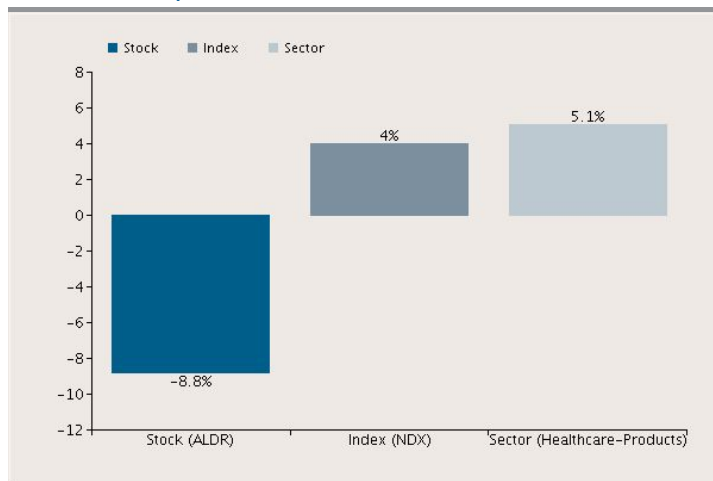
Turnover Rate & Turnover Period



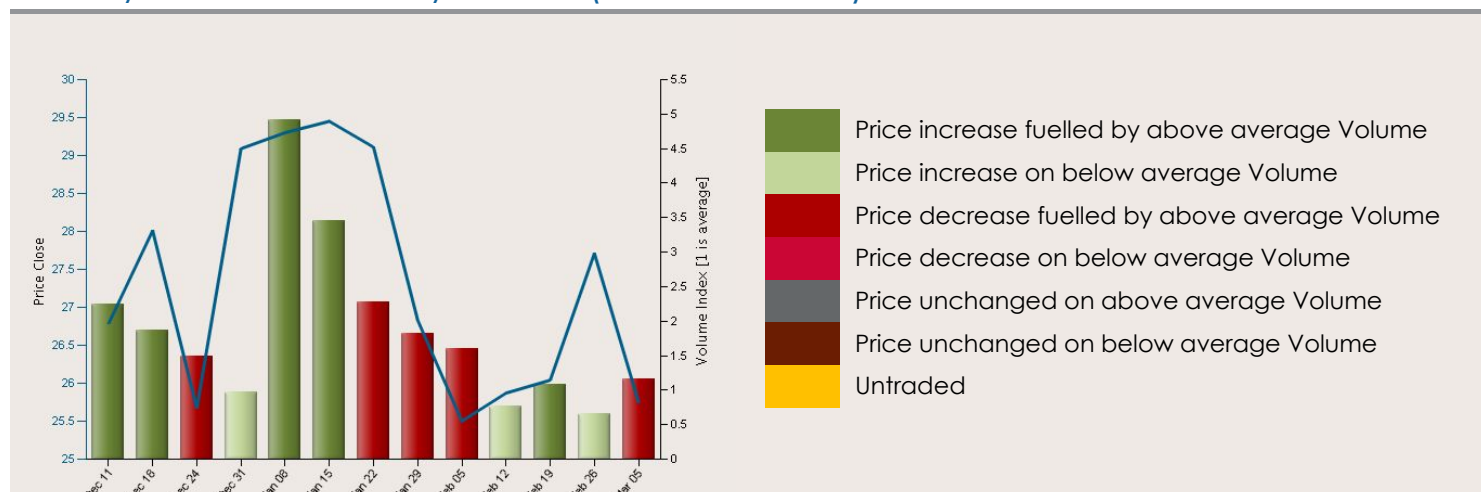
Trailing 3 months

Turnover	US\$504.8 million
Volume	18,309,705
Volume Index (1 is avg)	1.7

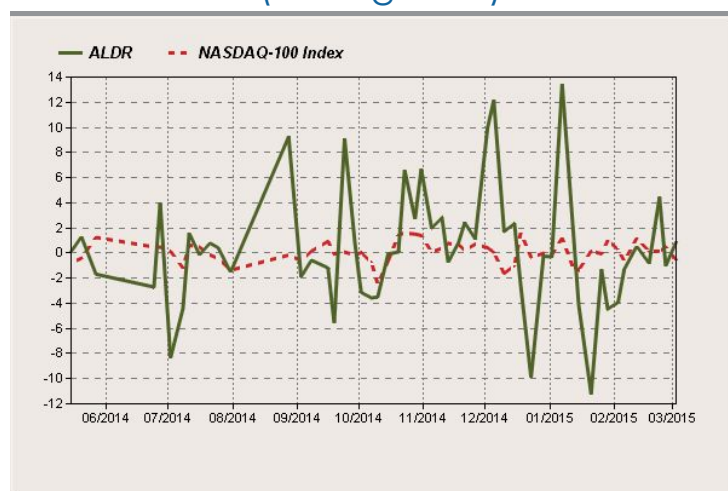
YTD Comparison Stock Sector Index



Weekly Price Volume Dynamics (Last 12 Weeks)



Stock v Index (Trailing Year)



Price/Moving Average Price [P/MAP]



Recent Analyst Recommendations

Date	Brokerage	Action	Past Rating	Current Rating	Prev Target	Price Target
05-Mar-2015	Leerink Swann	Boost Price Target	-	Outperform	24	31
17-Dec-2014	Credit Suisse	Boost Price Target	-	Outperform	19	34

Reported Selling by Directors

Director	Date	Transaction Type	No. of Shares	Price, US\$	Value, US\$
Latham John A	Mar 02, 2015	Sold	4,545	26.26	119,340
Smith Jeffrey T L	Mar 02, 2015	Sold	3,900	26.25	102,357
Latham John A	Jan 27, 2015	Sold	7,145	28.73	205,278
Litton Mark James	Jan 27, 2015	Sold	2,300	28.52	65,602
Litton Mark James	Jan 26, 2015	Sold	5,200	28.03	145,732
Smith Jeffrey T L	Jan 26, 2015	Sold	2,700	27.89	75,316
Smith Jeffrey T L	Jan 27, 2015	Sold	1,200	28.27	33,921
Latham John A	Jan 26, 2015	Sold	7,900	27.98	221,008
Schatzman Randall C	Jan 27, 2015	Sold	63,578	28.71	1,825,165
Schatzman Randall C	Jan 26, 2015	Sold	36,422	27.93	1,017,234

Company Overview

Activities

Alder Biopharmaceuticals Inc. provides pharmaceutical products and services. The Company identifies, develops, and manufactures antibody therapeutics to alleviate human suffering in cancer, pain, cardiovascular, and autoimmune and inflammatory disease areas. Alder Biopharmaceuticals operates in the United States.

Further details can be found at
www.alderbio.com.

Economic Sector

Healthcare

Regulatory Announcements

Financial Results

March 05: Alder BioPharmaceuticals Reports Fourth Quarter and Year-End 2014 Financial and Operating Results

[News Story] BOTHELL, Wash., March 4, 2015 -- Alder BioPharmaceuticals, Inc. ("Alder") (Nasdaq:ALDR), a clinical-stage biopharmaceutical company developing monoclonal antibody therapeutics for the treatment of migraine, autoimmune and inflammatory diseases, today provided recent corporate highlights and reported its financial results for the fourth quarter and full year ended December 31, 2014.

"2014 was a very exciting year for Alder as we became a public company in May and advanced our lead clinical candidate, ALD403, into a Phase 2b trial for the preventative treatment of chronic migraine," said Randall C.

[For more details click here.](#)

Conferences/Exhibitions

February 25: Events Calendar: Alder BioPharmaceuticals to Host Conference Call to Discuss Fourth Quarter and Full Year 2014 Financial and Operating Results

[News Story] BOTHELL, Wash., Feb. 25, 2015 Alder BioPharmaceuticals, Inc. ("Alder") (Nasdaq:ALDR), a clinical-stage biopharmaceutical company developing monoclonal antibody therapeutics for the treatment of migraine, autoimmune and inflammatory diseases, today announced that it will report its fourth quarter and full year 2014 financial and operating results after the close of U.S.

[For more details click here.](#)

Conferences/Exhibitions

February 05: Events Calendar: Alder BioPharmaceuticals to Present at 2015 Leerink Global Healthcare Conference

BOTHELL, Wash., Feb. 5, 2015 (GLOBE NEWSWIRE) -- Alder BioPharmaceuticals, Inc. (Nasdaq:ALDR), a clinical-stage biopharmaceutical company developing monoclonal antibody therapeutics for the treatment of migraine, autoimmune and inflammatory diseases, today announced that Randall C. Schatzman, Ph.D., Chief Executive Officer, will discuss Alder in a fireside chat at the 2015 Leerink Global Healthcare Conference on Thursday, February 12, 2015 at 10:20 a.m.

[For more details click here.](#)

Directors Option Buying

January 28: Alder Biopharmaceuticals Insider awarded Stock Options

Alder Biopharmaceuticals (NASDAQ:ALDR) Insider Hassler Randal, has been awarded Stock Options on 30,000 shares at an exercise price of US\$28.23. The transaction date was January 26, 2015. The shares last traded at US\$28.08.

Directors Option Buying

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January 22: Alder BioPharmaceuticals Announces Exercise in Full of Option to Purchase Additional Shares

[News Story] BOTHELL, Wash., Jan. 22, 2015 Alder BioPharmaceuticals, Inc. (Nasdaq:ALDR), a clinical-stage biopharmaceutical company, announced today that the underwriters of its previously announced public offering of common stock have exercised in full their option to purchase an additional 900,000 shares of common stock.

[For more details click here.](#)

January 22: Alder BioPharmaceuticals Announces Exercise in Full of Option to Purchase Additional Shares

[Company Release] <http://www.alderbio.com/wp-content/uploads/2015/01/Alder-Exercise-in-Full-of-Option-to-Purchase-Additional-Shares.pdf>

Source: Company Website

[For more details click here.](#)

8-K other news

March 04: Alder Biopharmaceuticals: Results of Operations and Financial Condition

[News Story]
http://www.buysellsignals.net/hbn/8kviewer.jsp?doc=_Archives_edgar_data_1423824_000156459015001289_0001564590-15-001289.txt

Source: 8-K United States Securities and Exchange Commission

Company Overview (continued)

November 03: Alder Biopharmaceuticals: Results of Operations and Financial Condition

[News Story]

http://www.buysellsignals.net/hbn/8kviewer.jsp?doc=_Archives_edgar_data_1423824_000156459014004873_0001564590-14-004873.txt

Source: 8-K United States Securities and Exchange Commission

September 02: Alder Biopharmaceuticals: Termination of a Material Definitive Agreement

[News Story]

http://www.buysellsignals.net/hbn/8kviewer.jsp?doc=_Archives_edgar_data_1423824_000119312514329259_0001193125-14-329259.txt

Source: 8-K United States Securities and Exchange Commission

August 05: Alder Biopharmaceuticals: Results of Operations and Financial Condition

[News Story]

http://www.buysellsignals.net/hbn/8kviewer.jsp?doc=_Archives_edgar_data_1423824_000156459014003143_0001564590-14-003143.txt

Source: 8-K United States Securities and Exchange Commission

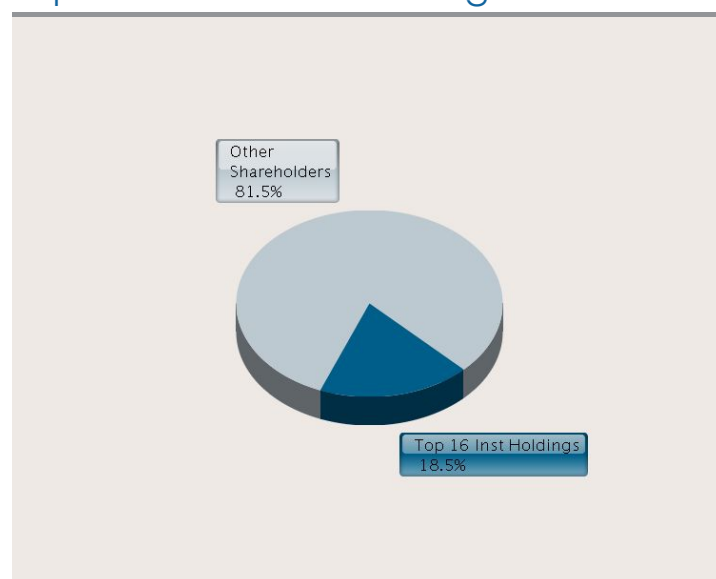
Issued Capital

Based on 37,706,533 issued equity shares the market capitalisation is US\$997.3 million. It is NASDAQ's 29th largest Healthcare-Products company by assets. The top sixteen shareholders hold 18.5% of the issued capital leaving a float of 81.5%.

Top 10 Shareholders

Name of Shareholder	No. of Shares	% Held
Novo A/S	3,201,183	8.49
Jennison Associates Llc	1,262,087	3.35
Fmr Llc	767,604	2.04
Blackrock Advisors Llc	456,932	1.21
Wellington Management Co Lp	242,419	0.64
Baker Bros. Advisors Lp	153,350	0.41
Cormorant Asset Management Llc	150,000	0.4
Vanguard Group Inc	145,523	0.39
Barclays Global Investors Uk Holdings Ltd	139,168	0.37
Driehaus Capital Management Llc	95,722	0.25
Total	6,613,988	17.54

Top 16 Institutional Holdings



Board and Management

Randall C. Schatzman CEO & President

Dr. Randall C. Schatzman is Founder, President, Chief Executive Officer, and Board Member at Alder Biopharmaceuticals, Inc. Prior to co-founding the Company, he was Senior Vice President of Discovery Research at Celltech R&D Inc. He received his Ph.D. in Molecular Pharmacology from Emory University before completing an American Cancer Society postdoctoral fellowship in the laboratory of J. Michael Bishop at the University of California, San Francisco.

Steve Dow Chairman

Mr. Steve Dow is Chairman of the Board at Alder Biopharmaceuticals, Inc. He also serves on the boards of Cytokinetix and Citrix, two public companies funded by Sevin Rosen Funds. He also sits on the boards of Limerick Neurosciences, Kabira, Plectix Biosystems, and Reactive Nanotechnologies. Before that, he was CEO for Ansa Software and Calera.

Mark J. Litton Treasurer & Chief Business Officer

From 1999 to 2004, Dr. Litton served as Vice President of Business Development for Celltech Group, where he was responsible for securing, commercializing and partnering numerous novel discoveries and therapeutic opportunities. In 1999, Dr. Litton joined Celltech Group as an employee of Chiroscience Group plc and was later promoted to Vice President Business Development after Chiroscience's merger with Celltech Group in 1999. From 1997 to 1999, Dr. Litton served as the Manager of Business Development for Ribozyme Pharmaceuticals Inc., currently Sirna Therapeutics, Inc., a biopharmaceutical company, where he helped form relationships with Eli Lilly and Company, Roche Bioscience and GlaxoWellcome plc, currently GlaxoSmithKline plc, a biopharmaceutical company. From 1991 to 1994, Dr. Litton served as a research associate for DNAX Research Institute, a research facility of Schering-Plough, now Merck & Co., a publicly traded pharmaceutical company. Dr. Litton holds a Ph.D. in Immunology from Stockholm University, an M.B.A. from Santa Clara University and a B.S. in Biochemistry from the University of California, Santa Cruz.

John A. Latham Chief Scientific Officer

From 1998 to 2004, Dr. Latham served as a director, senior director, and most recently as Vice President of Gene Function and Target Validation for Celltech Group plc. In 1994, Dr. Latham joined Darwin Molecular Corporation, a first-generation gene-to-drug biotechnology company, as a founding director, where he served from 1994 to 1998. Dr. Latham was one of the early scientists hired by Gilead Sciences, Inc., a biopharmaceutical company, and, from 1989 to 1994, he was a member of a core group established to exploit novel oligonucleotide-based technologies. Dr. Latham holds a Ph.D. in Biochemistry from Massachusetts Institute of Technology and a B.S. in Chemistry from Colorado State University.

Larry Benedict Senior Vice President-Finance

From 2000 to 2008, Mr. Benedict served in various positions at Seattle Genetics, Inc., a publicly traded biotechnology company, most recently as Director of Finance and Controller. From 1998 to 2000, Mr. Benedict served as Chief Financial Officer at Sensible Solutions, Inc., a financial software consulting company. From 1997 to 1998, Mr. Benedict served as Finance Manager at SmithKline Beecham Clinical Laboratories, now Quest Diagnostics Incorporated. From 1990 to 1997, he held various finance roles at Bristol-Myers Squibb Company, a biopharmaceutical company. Mr. Benedict holds a B.S. in Accounting from Central Washington University.

Board and Management (continued)

Jeffrey T. L. Smith
Senior Vice President-
Translational Medicine



Randy Hassler
Senior Vice President-
Pharmaceutical
Operations

Prior to joining Alder BioPharmaceuticals, he served as Vice President of Operations and Finance and Chief Operating Officer for seven years at Seattle Biomedical Research Institute, working on the fight against global infectious diseases. From 1995 to 2007, he served in various leadership positions at Amgen including Process Development, Quality Control, and Quality Assurance. In addition, he also played major roles in Amgen's acquisitions of both Immunex and Abgenix. From 1983 to 1995, Mr. Hassler served in a variety of research and development positions at Synergen in Boulder, Colorado. Mr. Hassler holds a B.S. in Microbiology from Indiana University and an M.S. in Microbiology from Colorado State University.

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