

Alder Biopharmaceuticals (ALDR : US\$18.70)

Alder Biopharmaceuticals adds US\$272.7 million in MCap in 2014, leads Healthcare-Products sector gains

Alder Biopharmaceuticals Inc, NASDAQ's 8th largest healthcare-products company by market cap, has now soared US\$8.56 (or 84.3%) year to date in 2014 to close at US\$18.70. This gain makes the stock the highest rising one in the Healthcare-Products sector which is up 181.2% in 2014. The volume YTD has been 0.2 times average trading of 172,018 shares. Compared with the NASDAQ-100 Index which has risen 7.9% YTD, this represents a relative price increase of 76.4%. In 2014 the market cap has jumped US\$272.7 million.

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 20:11 or 1.8:1.

Stock Summary

Sector	Healthcare-Products
Market Cap	US\$576.2 million
Shares Outstanding	30,803,668

Financial Summary

Year ended	Dec 2013	Dec 2012	Dec 2011
Sales (USDm)	18.8	20.1	21.8
Pretax (USDm)	(20.6)	(17.8)	(13.3)
Net (USDm)	(20.6)	(17.8)	(13.3)
EPS (USD)	(0.71)	(0.61)	(0.46)

MCap: A Historical Perspective

	Share Price (USD)	Market Cap (\$)
Last	18.7	576.2 million

Analysis

Bullish Signals

- In the last 20 trading sessions there has been a net rise of 78.82%; the stock has advanced fifteen times and the biggest one day rise was 15.9% on Jun 11.
- The Moving Average Convergence Divergence (MACD) indicator of 12-day Exponential Moving Average (EMA) of 17.86 minus the 26-day EMA of 15.42 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	16.0	In Top 4%
Price Change %	4.0	In Top 7%
Price/MAP50	1.06	In Top Quartile

Bearish Signals

- The price is at a premium of 16.0% to the 1-month volume weighted average price of US\$16.13. Given that this premium has been under 16.0% seventeen times and over 16.0% thirteen times in the last year, the downside:upside probability is estimated at 17:13 or 1.3:1.

Other Bearish Signals:

Bearish Indicators and Rank in Market:

Description	Value	Rank In Market
Volatility %	9.0	In Bottom 7%

Note

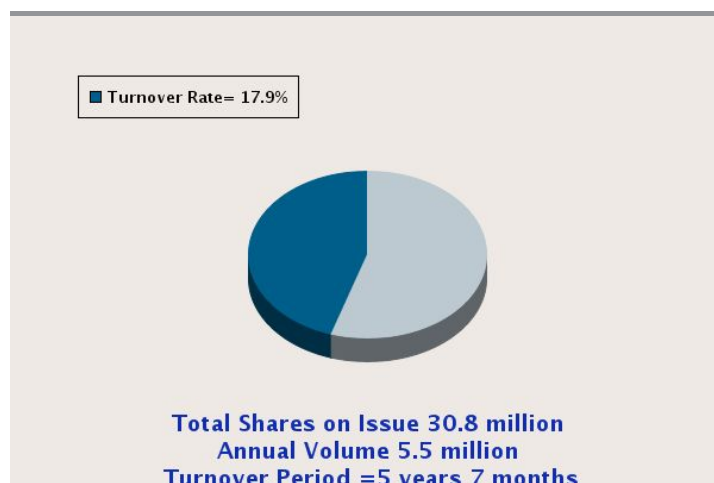
Neutral Indicators and Rank in Market:

Description	Value	Rank In Market
MCap	US\$576.2 million	In 2nd Quartile

Insider Trades



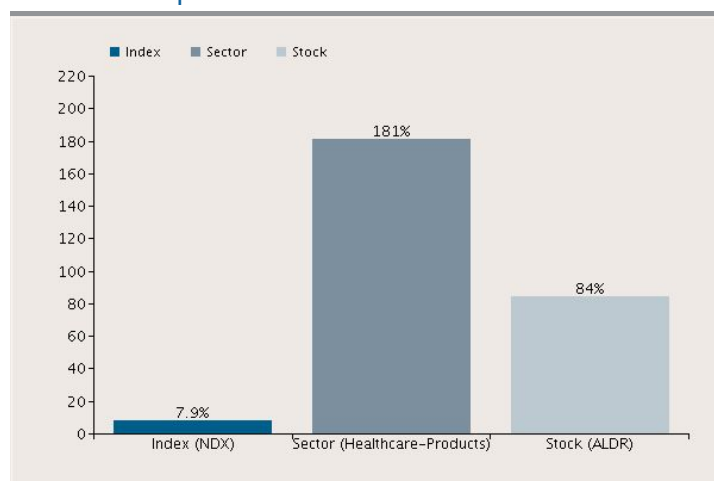
Turnover Rate & Turnover Period



Trailing 3 months

Turnover	US\$86.6 million
Volume	5,504,370
Volume Index (1 is avg)	0.5

YTD Comparison Stock Sector Index



Price Volume Trend: Trailing Quarter



Stock v Index (Trailing Year)



Peer Group Analysis

							Sector sorting
Name	Last Price	Relative strength (6-months)	MCap (Millions)	PV \$1000 (1 yr)	Revenue (Millions)	Net Profit (Millions)	Total Assets (Millions)
Versartis	28.55	-	691	-	-	-18	15
Vital Therapies	28.14	-	613	-	-	-	-
Akebia Therapeutics	28.58	-	579	-	-	-	-
Alder Biopharmaceuticals	18.7	-	576	-	-	-	-
ZS Pharma	27.15	-	535	-	-	-	-
Durata Therapeutics	17.27	90	460	2,506	-	-62	100
Supernus Pharmaceuticals	10.64	89	447	1,662	21	-89	111

Recent Analyst Recommendations

Date	Brokerage	Action	Past Rating	Current Rating	Prev Target	Price Target
11-Jun-2014	Bernstein	Initiated Coverage	-	Outperform	-	30
11-Jun-2014	Sanford C. Bernstein	Initiated Coverage	-	Outperform	-	-
02-Jun-2014	Leerink Swann	Initiated Coverage	-	Outperform	-	26
02-Jun-2014	Credit Suisse	Initiated Coverage	-	Outperform	-	20
02-Jun-2014	Wells Fargo & Co.	Initiated Coverage	-	Outperform	-	-

Reported Buying Selling by Insiders

Insider	Date	Transaction Type	No. of Shares	Price, US\$	Value, US\$
Montgomery Alan Bruce	May 13, 2014	Bought	3,000	10	30,000
Pakianathan Deepika	May 13, 2014	Bought	350,000	10	3,500,000
Bridger Gary	May 13, 2014	Bought	250,000	10	2,500,000

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.

Regulatory Announcements

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

June 27: Alder BioPharmaceuticals Added to Russell 3000(Registered) Index

June 18: Alder BioPharmaceuticals Reports First Quarter 2014 Financial Results

June 11: Alder BioPharmaceuticals to Present at Two Conferences in June

May 15: Alder Biopharmaceuticals insider buys

May 15: Alder Biopharmaceuticals substantial shareholder buys

May 15: Alder Biopharmaceuticals substantial shareholder buys

May 08: Alder BioPharmaceuticals Announces Pricing of Initial Public Offering

Issued Capital

Based on 30,803,668 issued equity shares the market capitalisation is US\$576.2 million.

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 Cytokinetics 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.

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