



*** Investment Idea of March «Tablet for wealth from Merck & Co.» is prolonged till 04.20.2018 year for the following reasons::**

Merck & Company Inc. shares (MRK) for a month are traded near significant support levels, above the key support of 53.30-50, thereby pointing to the formation of the bottom, from which it is worth waiting the repulsion. This statement confirms the formation of the figure «double bottom» and the bullish divergence on the weekly timeframe.

As a result, the investment idea of March «Tablet for Wealth from company Merck & Co. «remains in force! But at the same time due to the formation of prolonged flat, the idea is valid until the 20th of April. At this situation, it is worthwhile to minimize possible losses, in spite of possibility of development of the figure.



Graph of Merck & Company Inc shares (MRK). Current price before the opening of trading - 54.50.





Investment idea:

Tablet for Wealth from Merck & Co.



Merck & Company Inc. (MRK) - is a transatlantic pharmaceutical company engaged in the manufacture of medicines, vaccines, biologically active additives, veterinary drugs and products for beauty and health.

The total revenue at the beginning of 2017 was \$ 40.12 billion, and net profit was \$ 2.57 billion. *Merck & Company Inc. was founded in 1917.*

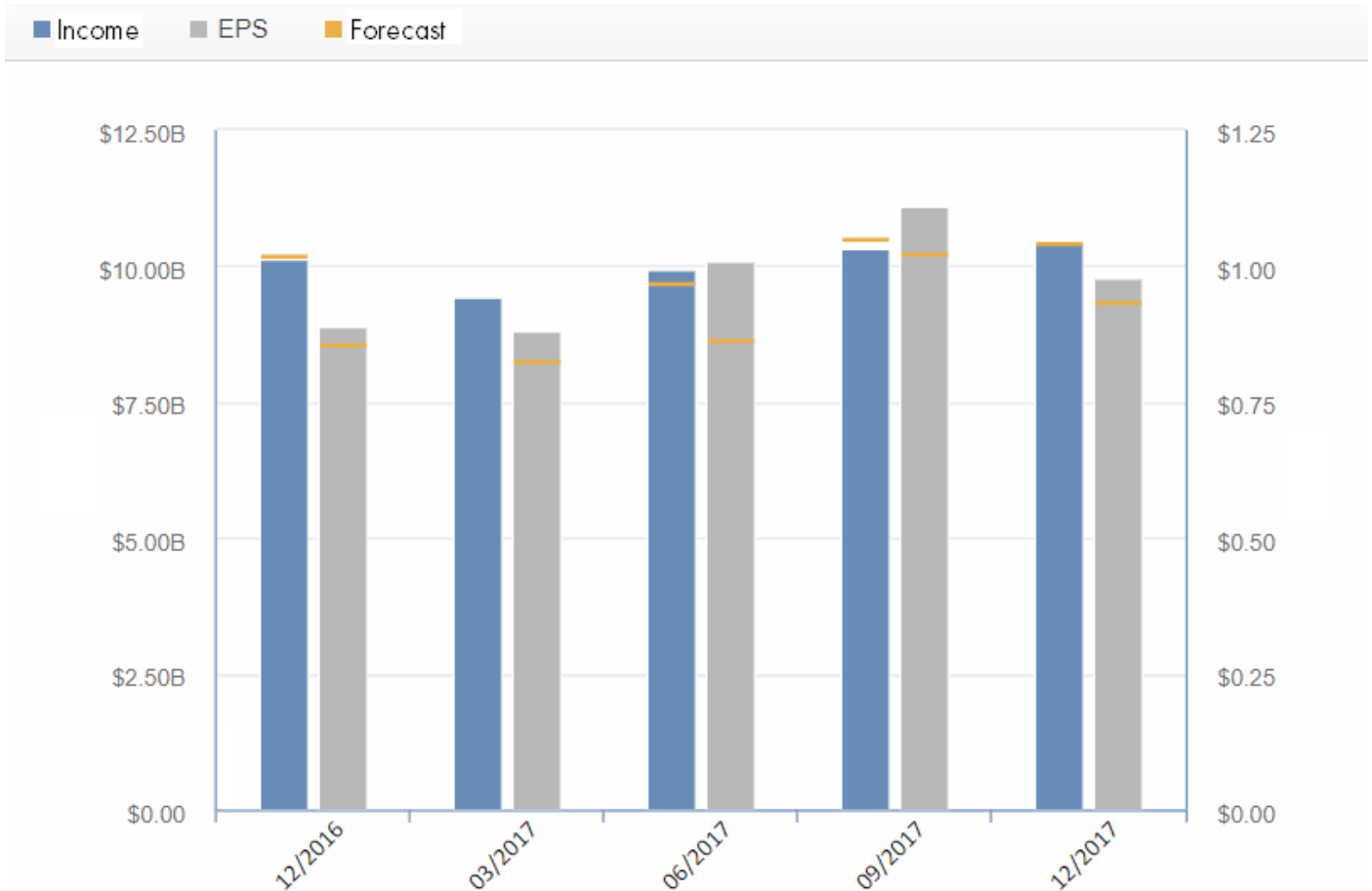
Reasons for the purchase of MRK shares:

1. The last quarterly report of MRK was very ambiguous due to the decline in EPS, which amounted to \$ 0.98. At the same time, the forecast for the first quarter of 2018 remains more optimistic with a moderate forecast of 10.04D earnings. Also in 2018, the expected profit of Merck is \$ 4.08-4.23 per share.





The expected revenue in the current year is \$ 42.7 billion against \$ 41.2 billion a year before.



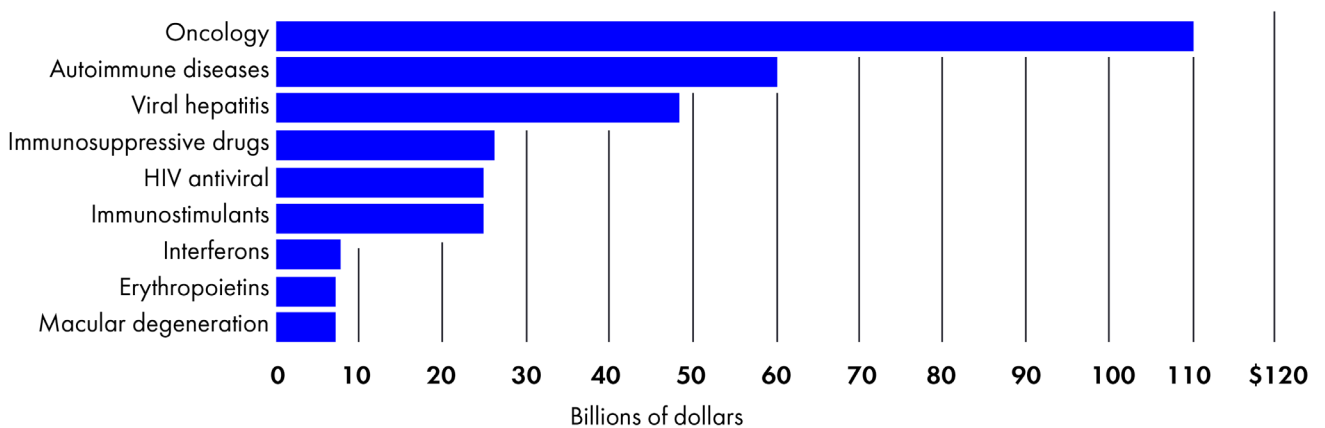
2. Since the beginning of the year, Merck & Co Inc. plans to invest about \$ 8 billion in the US capitalization projects over the next five years. Against the backdrop of a new pharmacological direction in the US, this will be one of the largest infusion.
3. In January 2018, Merck & Company Inc. announced the successes application of Keytruda, which has a positive effect in the advanced stages of the treatment of lung cancer. Also in January, Lynparza tablets developed by Astra Zeneca and Merck & Co were approved. These pills are approved as a maintenance therapy for patients with ovarian cancer.





4. In February 2018, Merck & Co Inc. announced its intention to buy the Australian pharmaceutical company Viralytics Limited, which develops oncological drugs for a number of cancers. The deal is valued at 394 million \$. At the same time, the deal is more strategic in nature, which will allow Merck & Co Inc. occupy the leading places in the production of immuno-oncological drugs.

Taking into account the statistics of the increase in the cost of medicines, by 2020 the cost of oncology will amount to \$ 110 billion.

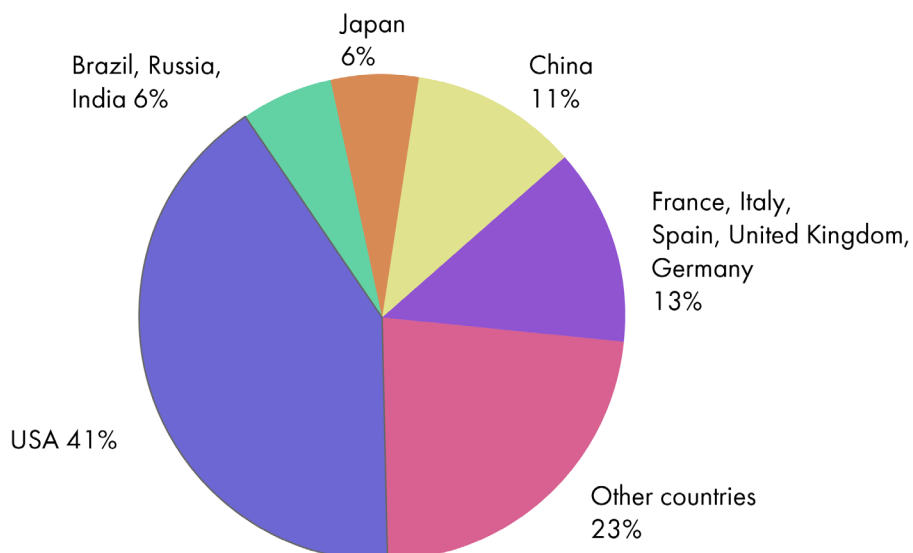


Source: IMS Institute for Healthcare Informatics

Bloomberg

And the main costs will fall on the developed countries. Namely, the USA, where the company Merck & Co Inc. invests.

Expenditures on medicines by countries in 2020



Source: IMS Institute for Healthcare Informatics

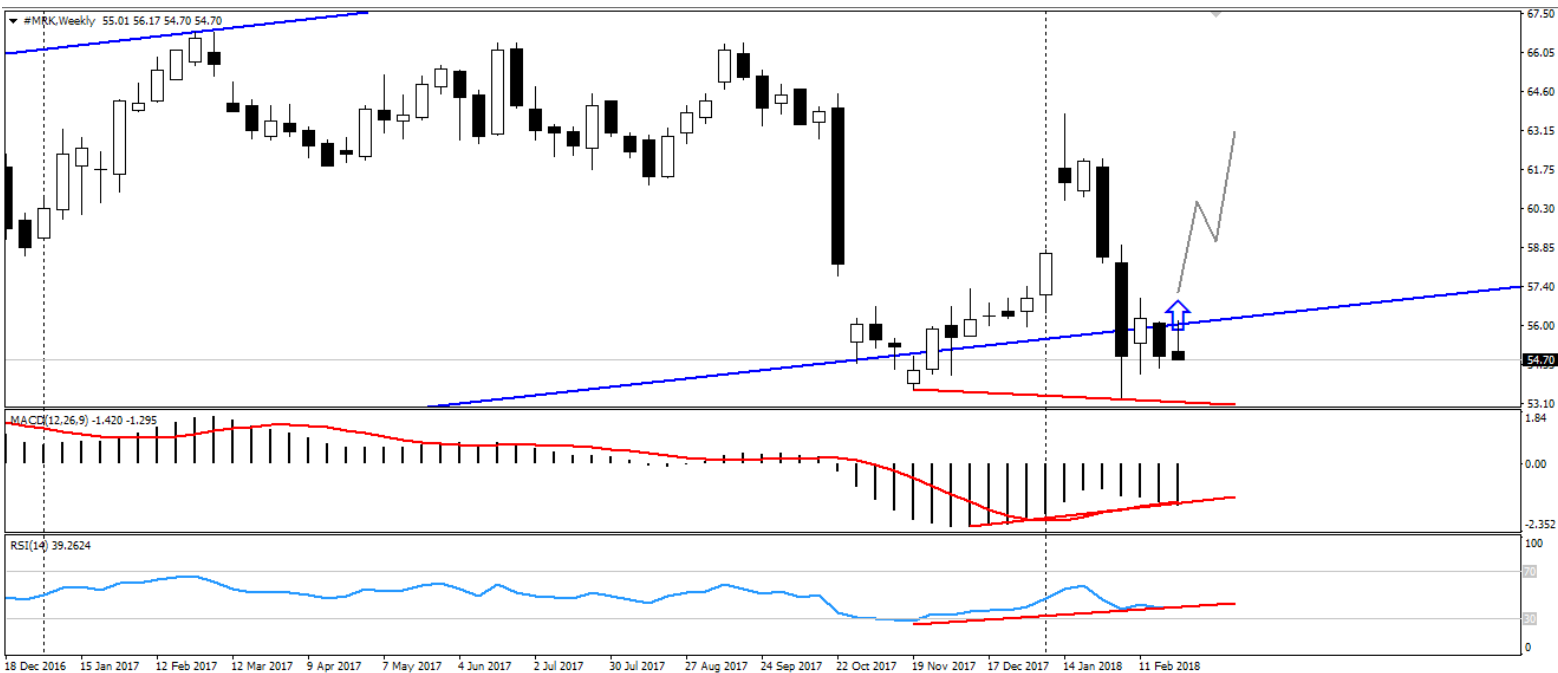
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Almost the entire February shares of Merck & Co Inc. were near the support level of 54.00-55.00, and failing to gain a foothold below this level, which corresponds to the lower boundary of the rising channel. At the same time, this trading range has been maintained since December 2008, which indicates the continuation of the uptrend and the potential to strengthen MRK shares.

The general collapse of stock exchanges, traced in early February, decreased shares of MRK to the lower border of the rising channel, which confirms the undervaluation of this asset. At the moment, Merck & Co Inc. shares. remain near significant support, from which the repulsion and the growth resumption are possible.

- 5. Undervaluation of Merck & Co Inc. shares is also confirmed by the indicators of Forex MACD and RSI, which indicate a bullish divergence in weekly chart. In the end, this may serve as an excellent reason for the resumption of growth in shares of Merck & Co Inc. and the formation of a second part of the figure «double bottom».





**The essence of the idea: BUY!
Connect at the formation of a reversal
before the main growth**

**The recommended period for connecting to the idea
is from March 1 to March 9, 2018.**

The idea is valid until March 30, 2018.

The recommended amount for start is \$ 10,000.

**The potential profit is
from 200% to 400% of the lot size.**

Connect!

** Entry points, exact profit, protective orders and transaction hedging -
check with the manager when you connect!*





Вход на покупку:

после закрепления акций выше психологии 57.00-40

Стопом выступает уровень 55.00-54.30,

Первая консервативная цель 60.00-61.00,
вторая 63.00-64.00.

Подключиться!

