



Investment idea:

**“A big CAT - a huge profit.  
Make money on CAT shares in May!”**



**Caterpillar Inc. (CAT)** - is one of the leading American companies for the production of the largest special machinery in the world. The company is engaged in the production of various heavy land transport equipment, diesel engines, power plants and other equipment for the construction and mining industries.

In addition to heavy equipment, the company is engaged in the production of clothing and footwear, phones and smartphones, and even provides financial services to its customers (mainly in the insurance industry).



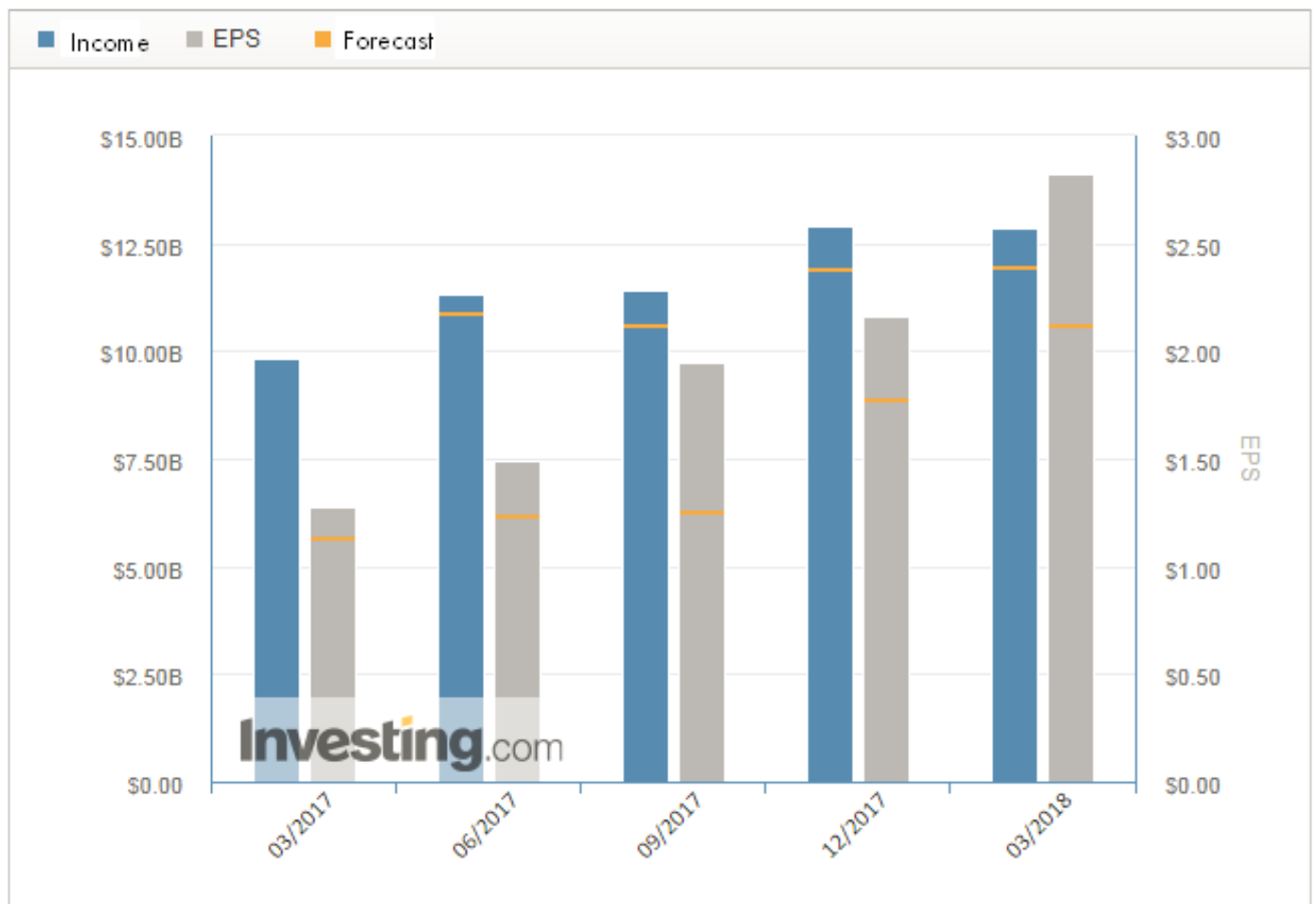


The predecessor of the company was the *Stockton Wheel Company*, founded in 1883, which was engaged in the production of various agricultural machinery, and in 1886 the production of combines was launched. In 1982, for the first time since the Great Depression, the company suffered a loss, and in 1985, a major plant modernization program was launched, which was completed in 1993 and cost \$ 1.8 billion.

Its final name Caterpillar Inc. (CAT) company received in 1986. To date, the company includes 480 units in 50 countries around the world

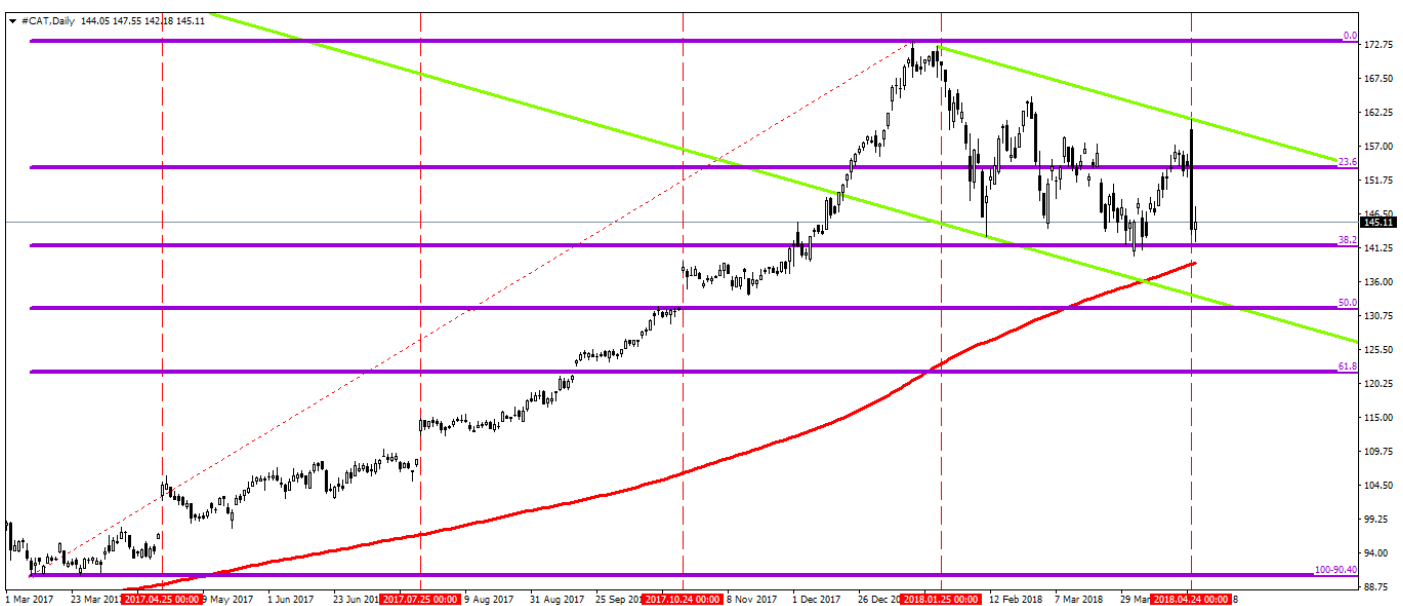
## Reasons for buying a company's shares:

1. According to the company's reports for the last 5 quarters, the company's profit has been growing steadily, while the **profit per share for this period has increased by 120%**.





2. From April 2017 to January 2018, the value of the shares of Caterpillar Inc. (CAT) grew by about 91.6%, after which it went down, despite continued growth in the company's revenues. In general, the decline in the value of Caterpillar Inc. shares. (CAT) is due to the general weakening of the US stock markets, as well as the correction of positions after continued growth. Confirmation of the correction is the formation of a significant support level in the area of the mark of 38.2 Fibonacci on D1.



3. As a result of the first quarter of 2018, sales of Caterpillar Inc. products increased. (CAT) across all regions, which is why the company raised its profit forecast for 2018. **The increase in net annual earnings per share of the company was improved to \$ 9.75- \$ 10.75 per share**, against the previous forecast of \$ 7.75- \$ 8.75 per share. The forecasted adjusted earnings were also improved to \$ 10.25- \$ 11.25 per share from \$ 8.25- \$ 9.25 per share.

**The essence of the idea:** Purchase of Caterpillar Inc. (CAT) shares in May 2018





The company's revenues throughout the year show steady growth. Also, the growth in demand for products from Caterpillar Inc. (CAT), predicts further growth in the company's revenues, which can not but attract new investors, especially after a nearly 20% decline in the value of the shares since early 2018.

**In connection with these arguments, with the volume of purchase of shares in the amount of 10 lots, the estimated profit for the period of the investment idea will be about 20-28% of the deposit at a risk of 8%.**

**Recommended period of connection to the idea —  
from May 2 to May 4, 2018**

**The period of development of the idea is —  
until May 31, 2018.**

**The recommended amount for start is — 25 000 \$.**

**Potential profit is — from \$ 5,000 to \$ 7,000.**

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

