



Investment idea:
**“Ready instruction to income!
Earn with #CAT!”**



Caterpillar Inc. (#CAT) – is one of the leading US companies for the production of the largest 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 industry.

The predecessor of the company was the Stockton Wheel Company, founded in 1883, which was engaged in the production of various agricultural equipment, and in 1886 the production of combines was launched. In 1985, a large-scale plant modernization program was launched, which was completed in 1993 and cost \$ 1.8 billion.

CATERPILLAR®



Its final name is Caterpillar Inc. (CAT) the company hold 1986.

Today, the company has 480 offices in 50 countries of the world. Subsidiaries include: Solar Turbines, Perkins Engines, Progress Rail Services, Caterpillar (UK), Caterpillar Germany, and Caterpillar (Switzerland). Caterpillar Inc. founded in 1925.

Reasons to buy Caterpillar in February:

1. Reducing the tensions in the trade opposition of the United States and China. The main factor behind the slowdown in the growth of Caterpillar shares was the slowdown in the Chinese economy and the trade standoff between the United States and China. As a result, purchases of Caterpillar equipment in the Asia-Pacific region, particularly in China, were reduced.

This decline in sales in China and the very high cost of tax payments and caused a decrease in payments to shareholders, according to a [quarterly report of the company](#). But the same report also indicates revenue and profit growth. At the same time, the market has already begun to adapt to the situation with the trade confrontation between the USA and China, not to mention the reduction of tension in this confrontation.

2. Preservation of the general positive dynamics of the reporting. Despite significant negative fundamental factors of the company, Caterpillar managed to maintain the positive dynamics of profits. This indicates a business renovation and limits costs.

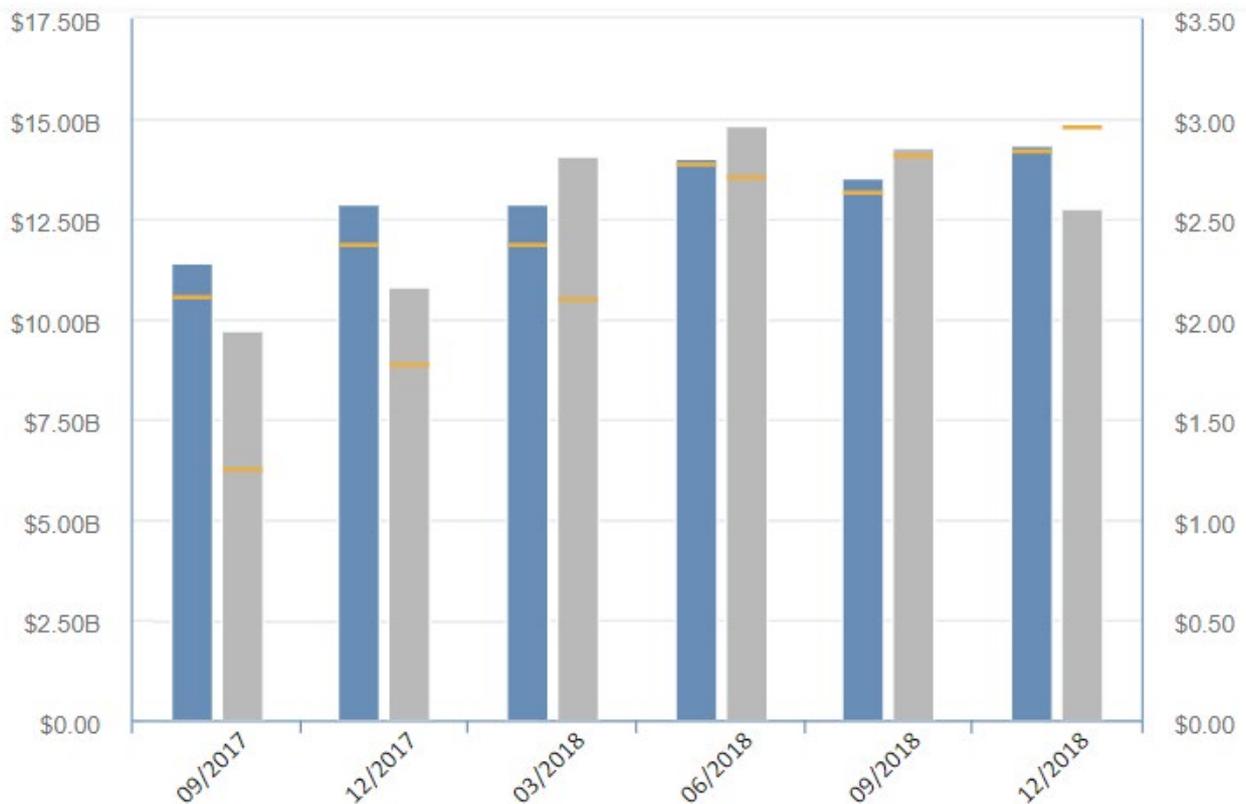


Fig. 1. Caterpillar Inc. profitability chart The blue column is revenue, the gray column is EPS, the orange line is the forecast.

On the company's Caterpillar Inc. reporting chart an upward dynamics is traced. Slowdown in earnings per share and income due to trade oppositions are actually leveled, indicating that the upward dynamics of the reporting of this company is maintained.

3. Technical factors. Technically shares Caterpillar Inc. limited to a common downstream channel in which they moved throughout 2018. But the formation of a double bottom reversal pattern and the formation of a correctional trading channel against decline indicate the possibility of a downward trend change.



Fig. 2. Caterpillar Inc. shares chart

On the Caterpillar Inc. shares chart there is a clear slowdown in the annual downward channel and attempts for correction.

The US – China trade relations remains **the risk factor**, the aggravation of which, despite the low probability, will affect adversely not only the shares of Caterpillar Inc., but also the entire stock market.

The main issue is to connect to the idea on the return to growth!

The recommended period for connecting to the idea is from February 1 to 8, 2019.

The period of working out the idea is until March 15, 2019.

The recommended start amount is \$ 10,000.

The potential profit is from 400% to 500% of the lot size.

Connect

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