



Investment idea:

**“The consumer giant is weakening to resume the growth! Connect!”**



**The Procter & Gamble Company (#PG)** – is a global leader in consumer goods, an American transatlantic company. Shares of this company are used in the calculation of the industrial index DOWJONES.

The Procter & Gamble Company is engaged in the production of consumer goods, among which are such **brands** as: Tide, Ariel, Braun, Pampers, Pringles, Wella and about 40 more brands. **Its subsidiaries:** Gillette, Ferrara Candy Company, Braun, Wella AG, Clairol. The Procter & Gamble Company was founded in 1837.





## Factors indicating The Procter & Gamble Company growth in October:

**1. Positive expectations on the company's profit.** Expectations about the income report of The Procter & Gamble, that will be released in October, remain very positive and act as a driver for the company's shares growth, as it was in April and July this year.

**Forecasts for October:** EPS (earnings per share) of \$ 1.11, the highest forecast since January 2016; Income is 16.52 \$.

In recent years, the income of The Procter & Gamble remains approximately the same, but earnings per share and dividends are increasing. It makes the shares of The Procter & Gamble more attractive to investors, who provides support for the value of shares in turn.

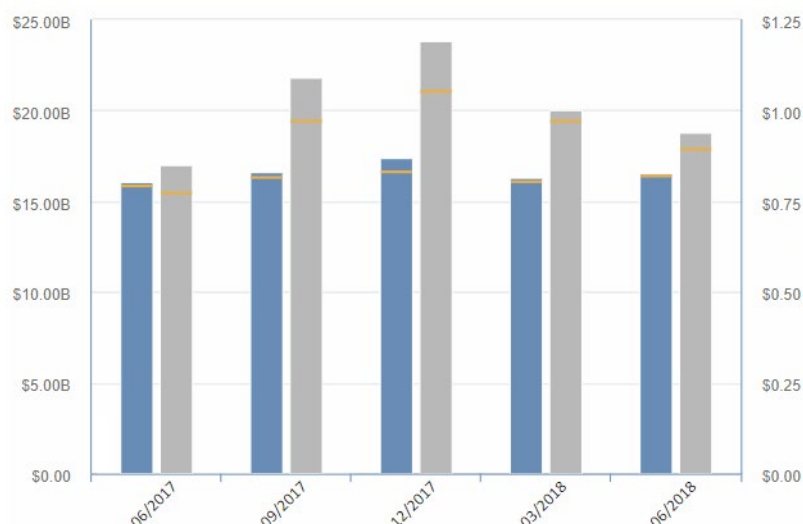


Fig. 1. The Procter & Gamble Profit Margin Chart

Blue column - income, gray column - EPS, orange line - forecast





**2. Consumer spending increase.** The Procter & Gamble Company is the world leader in consumer goods. And it indicates directly that with the increase in consumer spending the company will continue to increase the volume of goods and profits. Only a consumption growth in the US, the euro area and China worth a lot.



Fig. 2. USA consumer spending

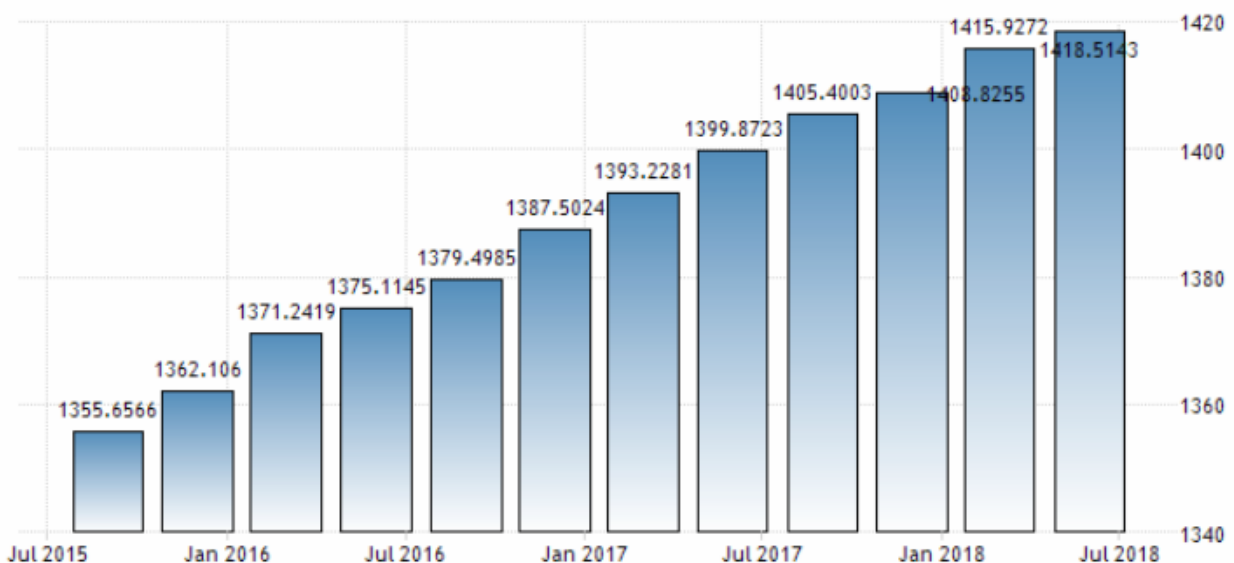


Fig. 3. EU consumer spending





Fig. 4. Chinese consumer spending

All indicators combine a stable upward trend, confirming the growth of consumer spending.

**3. Technical factors.** Technically, the shares of Procter & Gamble remain traded in a stable five-month uptrend. And the recent correction with the test of the lower boundary of the downward channel confirms keeping of this trend. Also, this correction significantly relieved these shares from overbought, indicating the possibility of further asset growth.

**The risk factor** is the general decline in world stock indices and directly of industrial index DOWJONES on political risks.

**The main issue** - is to connect to the idea on the resumption of growth!



**The recommended period for connecting to the idea is**  
from 1 to 5 October 2018.

**The period of working out the idea** is until October 31 - November 2.

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

**The potential profit** is from 250% to 300% of the lot size.

Connect

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