



The investment idea:

**“Don’t miss the chance to earn on the stocks’ decrease of the technological giant Microsoft.”**



**Microsoft (#MSFT)** – is the largest transnational company, one of the most famous manufactory-company of computers software , consoles and various mobile devices in the world.

Microsoft is the developer of the most popular operating system in the world - Windows and the most popular office software package - MicrosoftOffice. Microsoft products are sold in more than 80 countries, programs are translated into more than 45 languages.

The capitalization of Microsoft for January 2017 exceeds 500 billion. \$. The shares of Microsoft are traded on NASDAQ. Company Microsoft was founded on April 4, 1975.



## Reasons to sell Microsoft stocks in July:

- **Slowing down the technological sector.** Microsoft is one of the main representatives of the US technology sector. However, this sector as a whole shows a significant slowdown, not the least of which depends on the US trade war with its trading partners. Despite some decrease in fears, the trade war remains the main risk factor, both for these stocks and for the international stock market.



Fig. 1. The NASDAQ index.

Drawing attention to the NASDAQ index, which includes most of the major technology companies and Microsoft, it is worth noting the slowdown of this index, which will also affect the dynamics of Microsoft stocks

- **Lower income.** The last two reporting quarters of Microsoft turned out to be rather weak, which caused an increase in fears about incomes and the possibility of overvaluation of MSFT stocks.





MSFT incomes reports indicate a slowdown in the total and net income recently, which in the long term may become the reason for a decrease in profit in general.

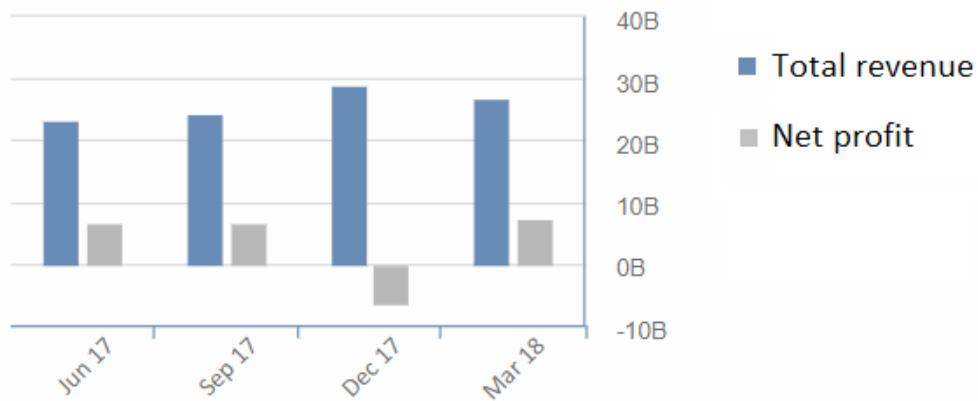


Fig. 2. MSFT income report.

Reporting MSFT also indicates a slowdown in earnings per share growth and the company's total profit. Forecasts for the second quarter of 2018 (Income 29.23 billion, EPS 1.08) remain positive, but not realizable.

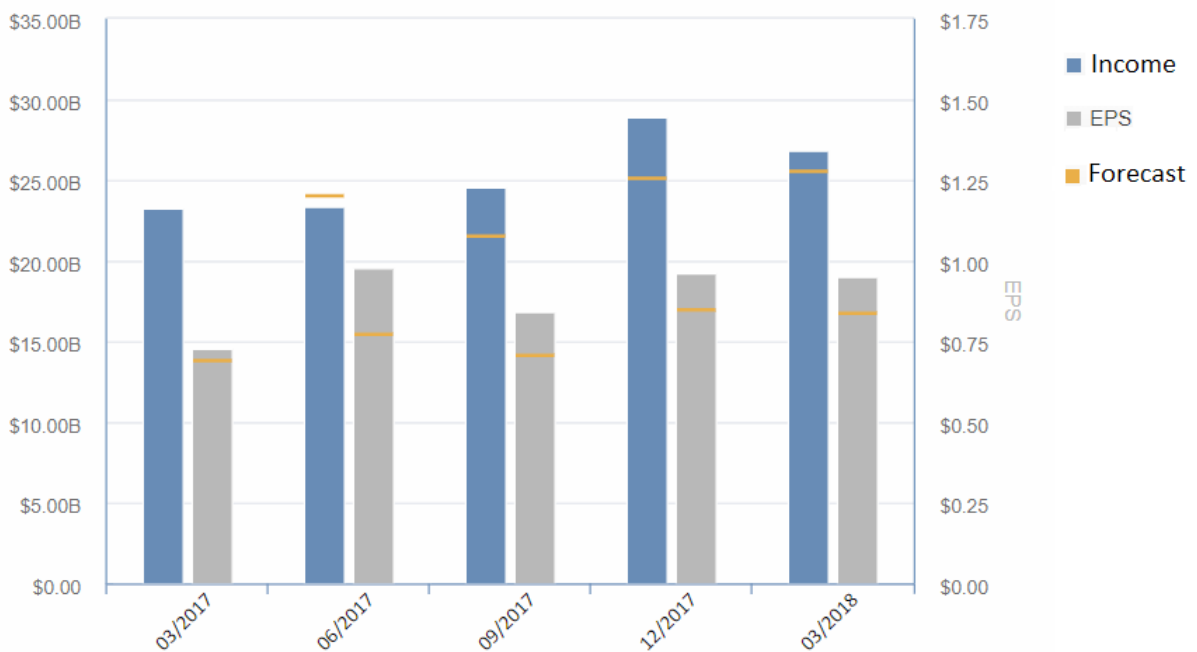


Fig. 3. MSFT reporting chart.

- **Attrition.** Payscale company, which makes researches of salaries and vacancies, published interesting studies that showed that over the past three years more than 30 senior executives have moved from Microsoft to Amazon. This may be an indirect factor in the decline of Microsoft's reputation.
- **Technical correction of stocks.** Microsoft stocks have been trading near the historic high for the past month, unable to update it. In this case, stocks are limited by the overbought and upper border of the upward channel.

An additional factor that indicates the correction of MSFT stocks is the bearish divergence on the Forex indicator MASD on the timeframe W.

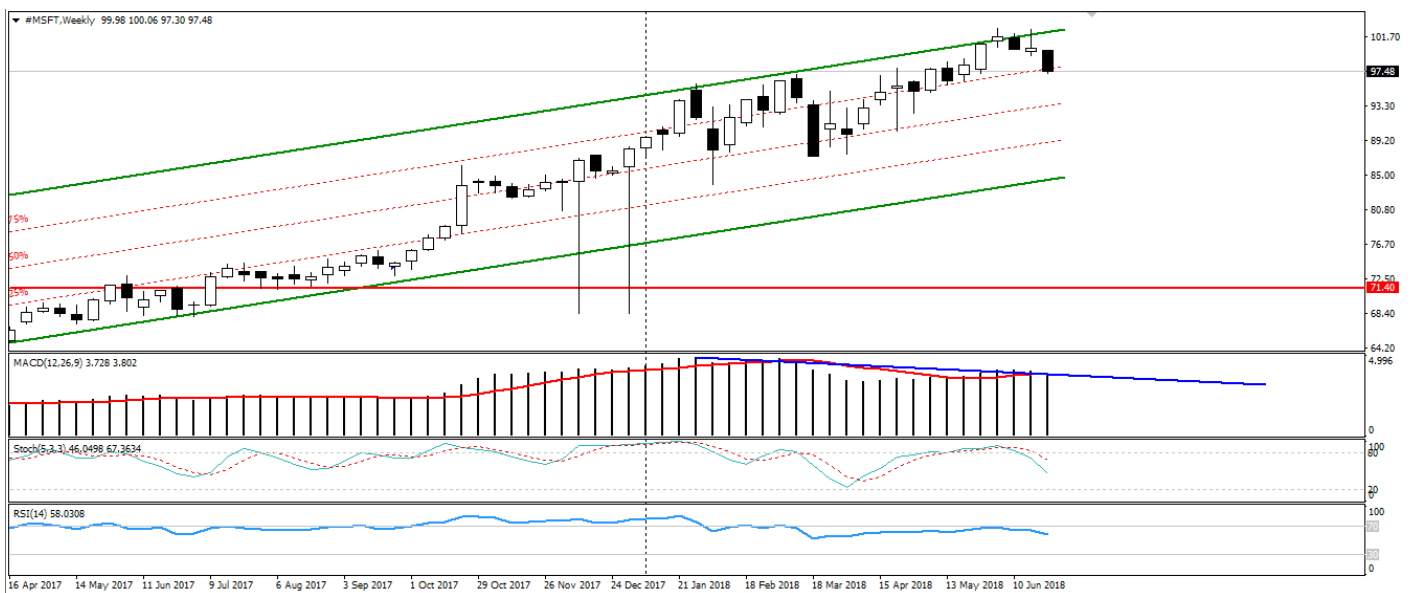


Fig. 4. MSFT stocks chart W1.

**The main issue is to connect to the idea before the sale of the company's stocks!**



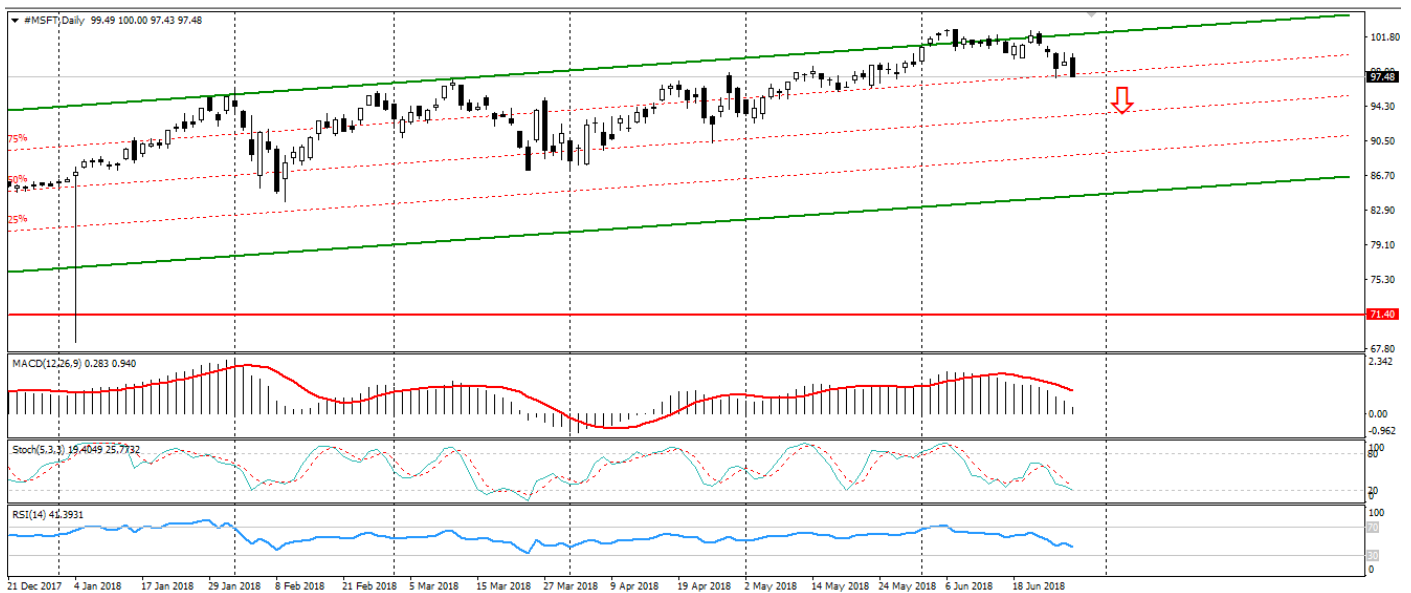


Fig. 5. MSFT stocks chart D1.

**Recommended period of connection to the idea**  
is from 2 to 6 July 2018.

**The period of rehears of the idea** is July 31, 2018.

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

**Potential profit** is from 300% to 500% of the lot size.

[Connect!](#)

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

