

Buy – Shire Pharma (SHP)

January 4, 2013

Leveraged products involve a high level of risk and you can lose more than your original investment. They are not suitable for everyone so please ensure you understand the risks involved and if necessary please obtain investment advice from a financial adviser before investing. This report is not a personal recommendation and does not take into account your personal circumstances or appetite for risk.

Trade parameters:				
Open	Stop Loss	Limit/Target	Reward vs. Risk	CFD Margin
1930p	45p (1885p)	2050p	2.7x	5%

Technical Observations - For

- Breakout from bullish flag pattern; support at 200-day MA
- Support kicked in again at prior breakout
- Directional indicators diverging bullishy
- Momentum shows bounce off rising lows
- RSI in rising trend and kicked up again from neutral

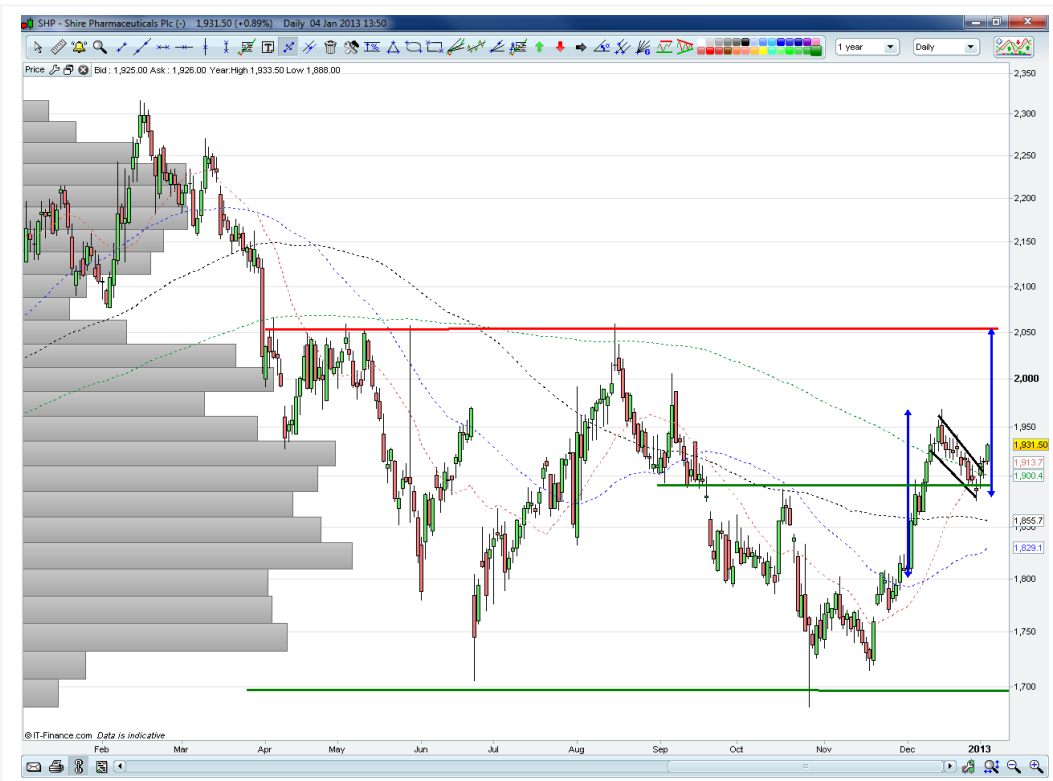
Technical Observations - Against

- RSI not been near oversold recently
- Shares still underperforming versus FTSE100
- ADX (trend strength) turned down from peak
- MACD turned down from highs – below signal line
- Volume not supportive

News / Broker Comments / Important Dates / Observations **

Company buying back shares can be supportive for share price (4 Jan). Positive response from European regulators for Elvanse ® for ADHD (18 Dec). Q3 results showed missed expectations and CEO to retire. (25 Oct). Shares tested 5-month lows after Q3 results but recovered into early November. Shares may benefit from rotation out of risk and into defensives after markets rallied into end of year and defensives were shunned. Drug progress news can benefit/hinder the stock. **Next Event:** 2012 FY results, 14 Feb

Latest Broker 12m Consensus: 22 x Buy, 4 x Hold, 0 x Sell (Source: Digital Look & AlphaTerminal) (U = Upgrade / D = Downgrade) **12-Dec**, Deutsche, Buy, TP 2050p; **12-Dec**, Credit Suisse, Outperform, TP 2250p (D); **3-Dec**, JPMorgan, Overweight, TP 2200p; **3-Dec**, Goldman Sachs, Strong Buy, TP 2450p; **30-Nov**, Citigroup, Buy, TP 2250p; **2-Nov**, Shore Capital, Buy; **30-Oct**, ExaneBNP, Buy



Stock description

Shire PLC markets, licenses and develops prescription medicines. The Group focuses its operations on attention deficit and hyperactivity disorders, human genetic therapies, gastrointestinal, and renal diseases. (FTSE100)

Graph: 1-year (daily)

Stock last used as Trade Idea;
11-Oct-2011

****Source:** DowJones Newswires, Reuters News or Company Press releases, Bloomberg.com

Need help understanding this page? [Click](#)

Need help with Technical Analysis? [Click](#)

Our research is produced by Accendo Markets Limited. Research produced and disseminated by Accendo Markets is classified as non-independent research, and is therefore a marketing communication. Accendo Markets research has not been prepared in accordance with legal requirements designed to promote its independence and may not comply with FSA guidelines to prevent conflicts of interest and is not subject to any prohibition on dealing ahead of the dissemination of research. As such, this research does not constitute a personal recommendation or offer to enter into a transaction or an investment, and is produced and distributed for information purposes only. Accendo Markets considers information contained within the research to be valid when published, and gives no warranty as to the investments referred to in this material. The income from the investments referred to may go down as well as up, and investors may realise losses on investments. The past performance of a particular investment is not necessarily a guide to its future performance. Prepared by Michael van Dulken, Analyst

Buy – Shire Pharma (SHP)

January 4, 2013

Leveraged products involve a high level of risk and you can lose more than your original investment. They are not suitable for everyone so please ensure you understand the risks involved and if necessary please obtain investment advice from a financial adviser before investing. This report is not a personal recommendation and does not take into account your personal circumstances or appetite for risk.

Graph: 1-year (daily) - MACD, ADX and Directional Indicators



Need help understanding this page? [Click](#)

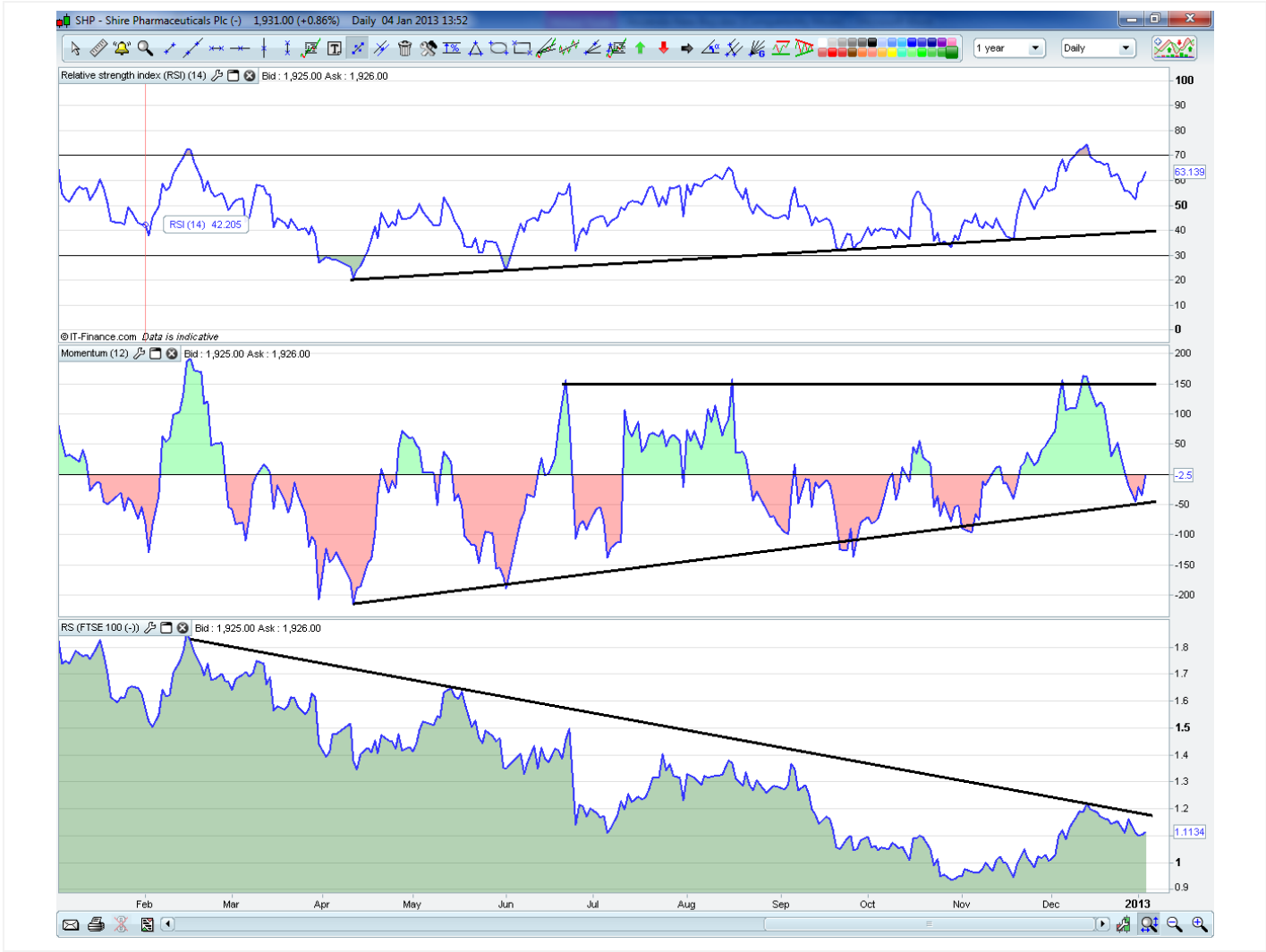
Need help with Technical Analysis? [Click](#)

Buy – Shire Pharma (SHP)

January 4, 2013

Leveraged products involve a high level of risk and you can lose more than your original investment. They are not suitable for everyone so please ensure you understand the risks involved and if necessary please obtain investment advice from a financial adviser before investing. This report is not a personal recommendation and does not take into account your personal circumstances or appetite for risk.

Graph: 1-year (daily) - RSI, Performance relative to FTSE 100



Share Perf %	1wk	1m	3m	1yr	2yr	3yr	4yr	5yr
	0.76	6.71	2.9	-10.2	23.72	58.01	90.39	76.81

Need help understanding this page? [Click](#)

Need help with Technical Analysis? [Click](#)