

# IPO Trader

*Research. Rigor. Results*

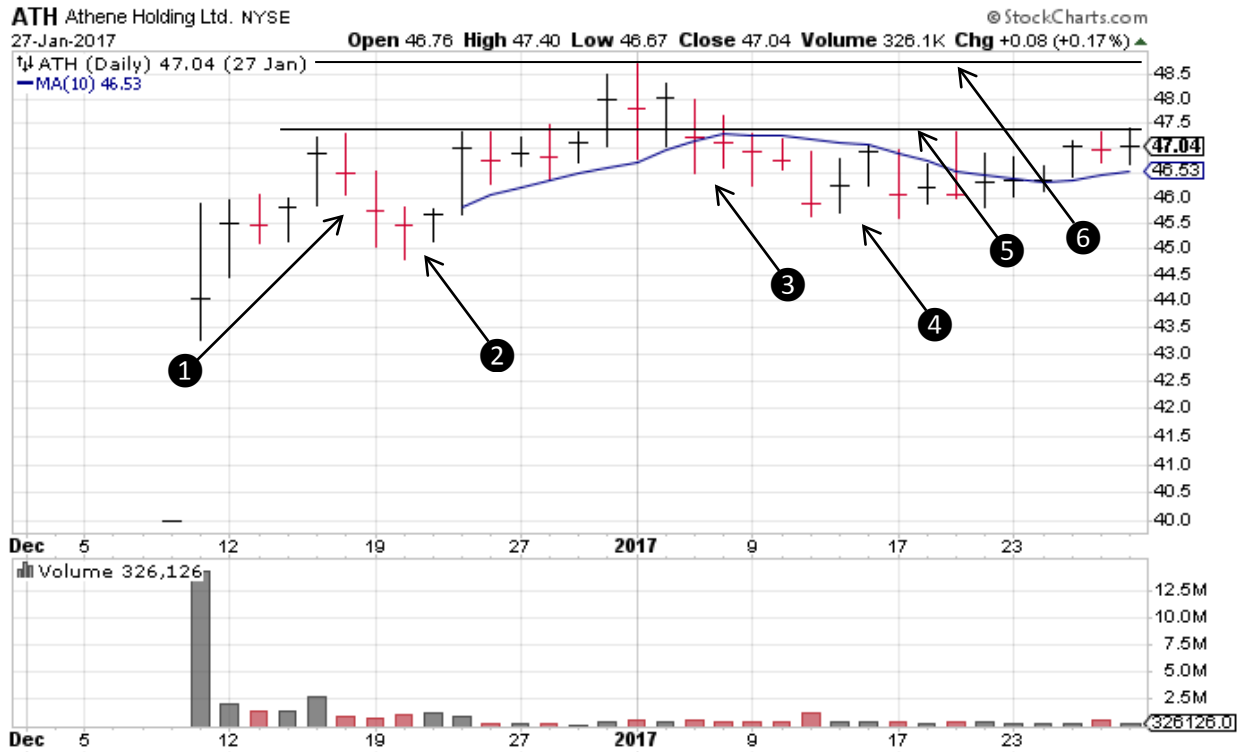
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Sample Newsletter

January 28, 2017

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## ATH (Athene Holding) Daily Chart



### Summary:

ATH is one of the highest priced IPOs in the past year. Higher priced IPOs tend to be higher quality and have higher institutional demand. The stock has not traded anywhere near the IPO price (\$40), which is a positive sign. The stock had a small advance ① and then formed a short base ② that was only 5% deep. It would be better to see a larger advance followed by a deeper base (~10-20% in both cases). The stock broke out for a few days, but then the breakout attempt failed ③. The stock then drifted lower in an orderly fashion on average volume ④. The stock could be forming the right side of an IPO base with an early entry ⑤ and a standard entry ⑥.

### Earnings Report:

The company last reported earnings on November 11, 2016. The estimated date for the next report is February 11, 2016.

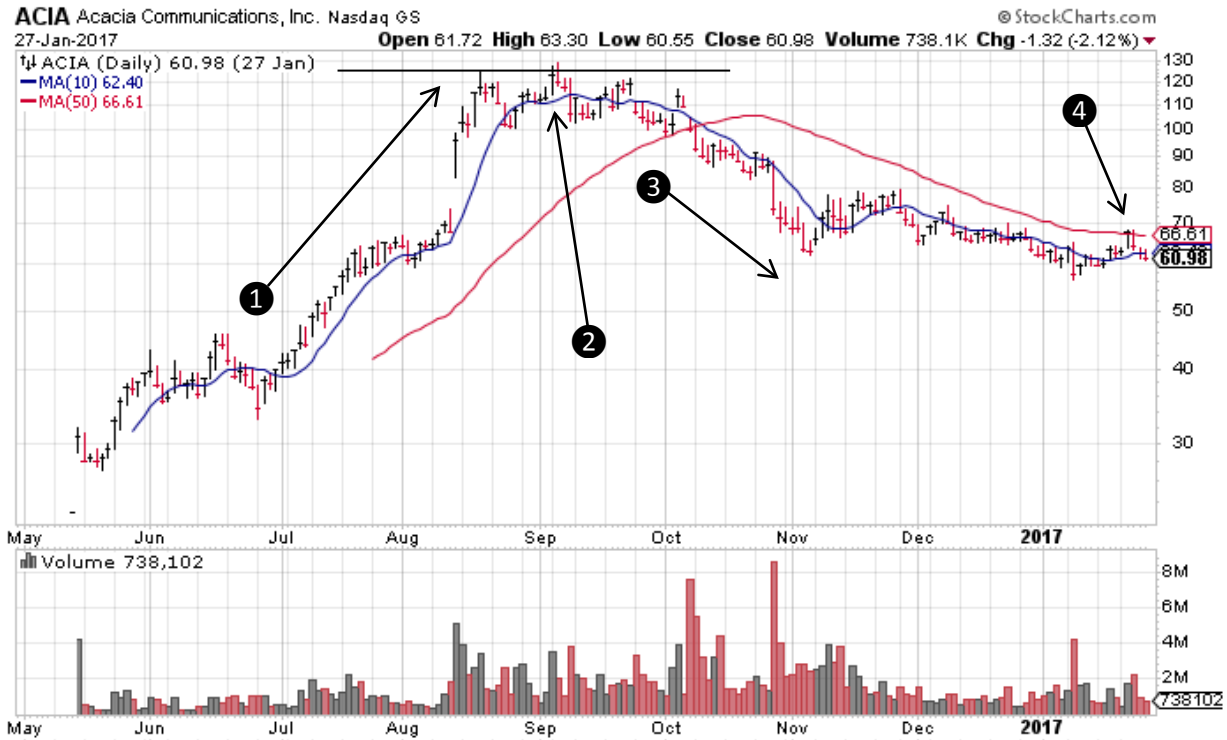
### Key Prices:

Early buy point = 47.35

Standard buy point = 48.72

Stop = Decisive move below 10 day moving average

## ACIA (Acacia Communications) Daily Chart



### Summary:

ACIA was arguably the best performing IPO of 2016. The stock made a huge run **1** after breaking out of an IPO base. It then found resistance **2** around \$125 and started a ~50% decline **3** as traders took profits. The stock has been trading below the 50 day moving average since October 2016 and recently hit resistance at that price **4**. Watch for the stock to break through the 50 day moving average, preferably on above average volume. The stock still has strong fundamentals and it could be calming down before moving higher again.

### Earnings Report:

The company last reported earnings on November 10, 2016. The estimated date for the next report is February 10, 2016.

### Key Prices:

Buy point = Decisive move above 50 day moving average

Stop = Decisive move below 50 day moving average

POLA (Polar Power) Daily Chart



Summary:

POLA has extremely high recent quarterly earnings growth (600%-800%). However, the stock has not yet made a big move. If the fundamentals continue to be this strong, then a big move is very likely to occur. The stock traded near its IPO price (\$7) on the first day of trade, but has not traded near that price since then. The stock formed a short IPO base ① and broke out ② on decent volume. However, the break out failed about one week later ③ as the stock had a nasty reversal and sliced through the 10 day moving average. The stock may now be forming a new base. Recent trade has been tight while holding the 10 day moving average ④. The aggressive trader could buy the stock now and use \$7.50 as the stop. Otherwise, watch for the stock to break out from the current base. This stock is thinly traded (\$800,000 per day), so it could be more volatile than the other stocks included in this newsletter.

Earnings Report:

The company has not reported earnings since going public. Therefore, it is unclear when the company will provide their first earnings report.

Key Prices:

Early buy point = \$9.60

Standard buy point = \$10.69

Stop = 3-7% below buy point

### ANAB (AnaptysBio) Daily Chart



#### Summary:

ANAB went public this week and has high earnings growth compared to other recent IPOs. The stock traded near its IPO price (\$15) on the first day of trade, but bounced strongly higher. Watch for a 10-20% uptrend followed by a 10-20% base formation.

#### Earnings Report:

The company has not reported earnings since going public. Therefore, it is unclear when the company will provide their first earnings report.

#### Key Prices:

Buy point = TBD

Stop = TBD

## ZTO (ZTO Express) Daily Chart



### Summary:

ZTO has strong earnings and sales growth for the past two years, but the stock has shown technical weakness since going public. The earnings estimate for the current quarter is negative, which is concerning, but the estimate for the year is decent. The IPO price is \$19.50, which is well above the current price. This is an area of concern, but this stock could still provide an opportunity. The stock is finding support at \$12 so an aggressive investor could buy the stock now and use \$11.50 as the stop. Another option is to wait for a decisive move above the 10 day and/or 50 day moving averages, preferably on above average volume. The stock recently hit resistance at the 50 day moving average ① and headed lower, but it is holding above the prior low ②.

### Earnings Report:

The company last reported earnings on November 28, 2016. The estimated date for the next report is February 28, 2017.

### Key Prices:

Early buy point = Decisive move above 10 day moving average

Standard buy point = Decisive move above 50 day moving average

Stop = Decisive move below 10 day or 50 day moving average