



PPIP

2/11/2020

Industry Update

- Aimmune Therapeutics' Palforzia approved for peanut allergies
- Merck will spin-off women's health, legacy brands, and biosimilars into a new company
- BMS Q4 sales jump 33% with addition of Celgene
- AbbVie Q4 sales rise 4.8% despite lack of Humira growth
- Gilead started DTC marketing for Descovy for PrEP
- Roche's Alzheimer's drug fails phase II/III trial
- Biogen wins patent lawsuit against Mylan for Tecfidera- shares jumped 23%

Leadership/ DD Groups

Im a slack and behind, but you will interview in next two weeks

DD groups will be finalized by Friday (I promise)

If you know anyone who hasnt signed up but wants to join

Start looking around for some companies that interest you

Biotechs, Pharma, Devices, Healthplans, etc.

FiercePharma, FierceBiotech, Evaluate Pharma

Buy Low, Sell High

Basic Trends



Buy Low, Sell High

What does it mean?

A few examples



A few examples



2/3/2020 - 2/4/2020

 The New York Times

Tesla's Stock Is Up 36% in Two Days. What's Going On?

The investors borrowed Tesla shares from their brokers and sold them, hoping to buy back the shares and return them once Tesla's stock price declined.

6 days ago



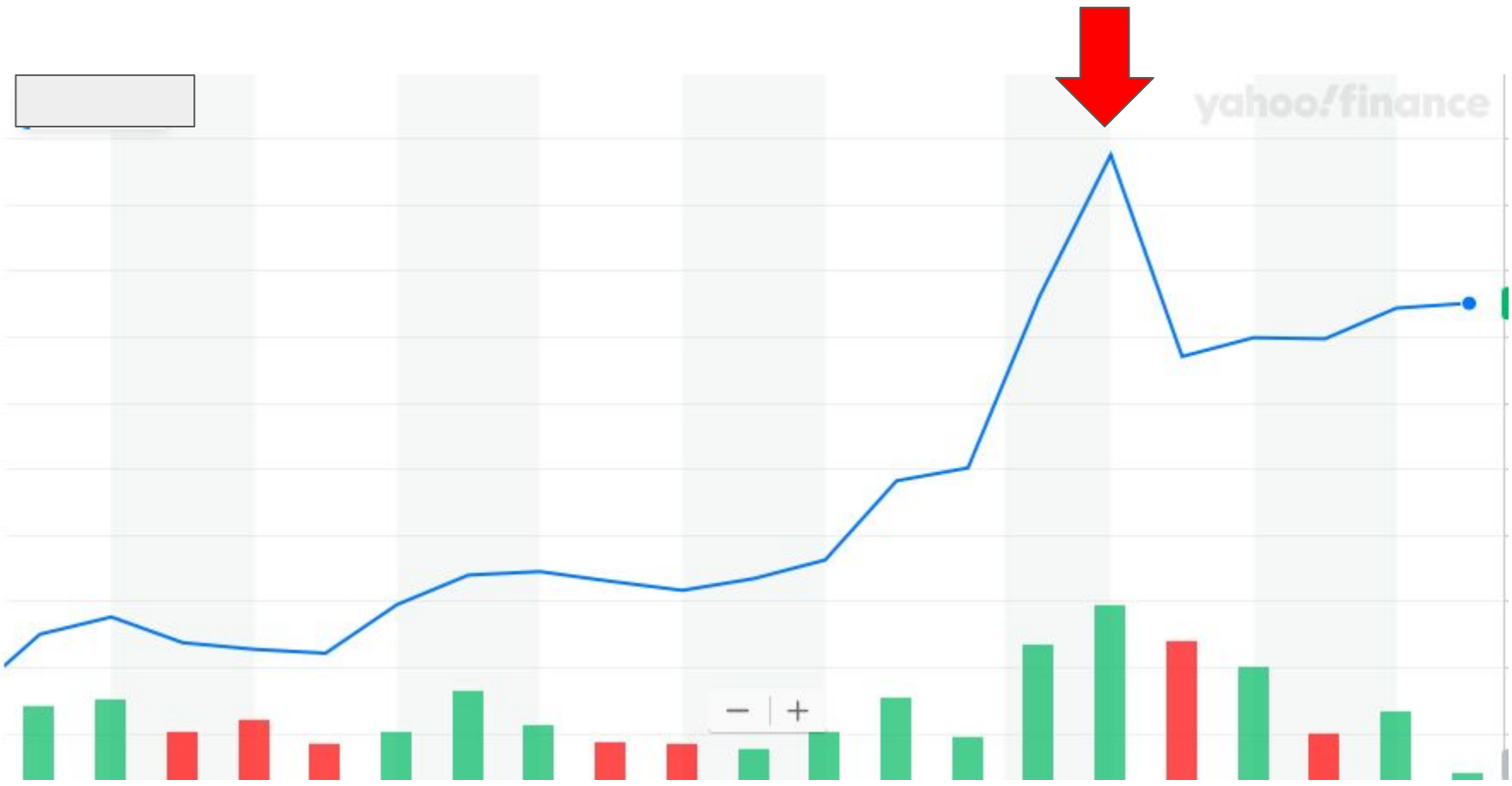
F Forbes

Tesla Stock Price Has Surged 80% In 5 Weeks, How High Can It Go?

For the past two months, the company's stock price has crushed Wall Street pundits who've continuously slammed Tesla in their shareholder letters.

Here are ...





2/5/2020



Tesla's stock falls in a dramatic stumble from its all-time high

Shares in the company ended Wednesday at \$734.70 — a 17.2% drop. Tesla Vice President Tao Lin said Wednesday on Chinese social media platform Weibo ...



Stock market live Wednesday: S&P 500 erases coronavirus sell-off, Tesla's 2nd worst drop ever

The S&P 500 scored a new record close, fully erasing any coronavirus-related losses. Tesla ended the day down 17% for its second-worst drop ever. —Li ...



Tesla shares drop down again after crazy climb on Tuesday

People should never forget that the stock market is forward looking. Investors price in years of growth before it actually takes place. Tesla moved like this back in ...



What does it mean?

- If you hear about a stock that is soaring, you are probably too late
 - Buying a stock after a volatile surge - buy high
 - Surges are typically a market overreaction
- LOOK AT BIG PICTURE, NOT RECENT VOLATILITY
 - Exception: small biotechs

Tesla Overall



Tesla

- Bought at beginning of year for long term investment
 - Still huge gains
 - Relatively unaffected by last weeks volatility
 - Can handle typical stock rises/falls
- Bought after seeing news of exceptional performance
 - Probably down between \$100-200 in present value
 - Unlikely to get back there for some time
 - Likely frustrated, may sell off for loss

What to look for

- Long term vs short term investment?
 - Large Pharma, UnitedHealthcare, CVs - long term
 - Small biotech, startups - either?
- Long term
 - Focus on BIG PICTURE
 - Don't let small gains/losses influence decision
- Short Term
 - May be investing around certain drug approvals
 - Re-evaluate after every major event

Long-term



Novartis

- Large cap pharma company
- Occasional volatility
- Overall, smartest decision likely to put money in for the long term

Long-term



Vanguard S&P 500 ETF

- Portfolio managed by Vanguard
 - Buy shares of portfolio
- Smart, safe, long term growth
- Best Visual for long-term investment

Short-term



Intracellular Therapeutics

- PPIP invested due to optimism of lumateperone in schizophrenia
- In July, bad data for same drug in bipolar depression
 - Held, still optimism for schizophrenia
- In December - FDA approval
 - Sell decision
 - Pipeline weakness overall
- BUY LOW, SELL HIGH

Short-term



Intercept

- November 2019 - FDA accepts NDA
 - No current treatments for NASH
- Quick rise, slower fall
 - Not yet approved, people holding to wait for approval
 - Potential for very large market share
- SELL vs BUY vs HOLD?
 - Analyze pipeline, potential, data

For Due Diligence

- If you see spikes on graph, find out WHY
- Do not use graph alone to justify decision
- Promising company currently at low value?
 - Buy low
- Company with recent gains but nothing to back it up?
 - Sell high

Questions?