



Macro Ops Breakout Alerts

*No Dead Money
June 26 2020*



Past Alerts: Buy, Sell and Stop Signals

BUY TRIGGERS

- Akoustis Technologies (AKTS)
- Turkcell (TKC)

SELL TRIGGERS

- First Cash, Inc. (FCFS)
- eHealth, Inc. (EHTH)
- Wheat ETF (WEAT)

STOP-LOSS TRIGGERS

- Nari Technologies (600406)
- Alico, Inc. (ALCO)

PROFIT-TAKING TRIGGERS

- Epiroc AB (EPI_A)
- Peloton, Inc. (PTON)



Interactive Brokers (IBKR): Symmetrical Triangle



Long Trade:

- 3% Entry: \$45.76
- 1.50% Entry: \$45.10
- Stop-Loss: \$40.71
- Profit Target: \$63.81
- Reward/Risk: 4.27x

Short Trade:

- 3% Entry: \$37.52
- 1.50% Entry: \$38.10
- Stop-Loss: \$42.32
- Profit Target: \$26.54
- Reward/Risk: 2.74x



Interactive Brokers (IBKR): Business Description

Interactive Brokers Group, Inc. operates as an automated electronic broker worldwide. It specializes in executing and clearing trades in securities, futures, foreign exchange instruments, bonds, and mutual funds.

The company custodies and services accounts for hedge and mutual funds, registered investment advisors, proprietary trading groups, introducing brokers, and individual investors. In addition, it offers custody, prime brokerage, securities, and margin lending services. Further, the company provides electronic execution and clearing services. - TIKR.com



Interactive Brokers (IBKR): Fundamental Info

Financials:

- Market Cap: \$3.17B
- Return on Equity: 14%
- Gross Margins: 86%
- Operating Margins: 63%
- P/Norm. Earnings: 29x

What We Like:

- High-margin, high FCF generative business
- Exceptional founder/CEO
- Consistent buybacks

What We Don't Like:

- Terrible U/I
- Not extremely cheap (29x earnings)
- Race to zero w/ commissions



Maxim Integrated Products (MXIM): Rectangle



Long Trade:

- 3% Entry: \$66.79
- 1.50% Entry: \$65.81
- Stop-Loss: \$55.98
- Profit Target: \$90.91
- Reward/Risk: 2.55x

Short Trade:

- 3% Entry: \$45.21
- 1.50% Entry: \$45.91
- Stop-Loss: \$50.41
- Profit Target: \$33.66
- Reward/Risk: 2.72x



Maxim Integrated Products (MXIM): Business Description

Maxim Integrated Products, Inc. designs, develops, manufactures, and markets a range of linear and mixed-signal integrated circuits in the United States, China, the rest of Asia, Europe, and internationally.

The company also provides a range of high-frequency process technologies and capabilities for use in custom designs. It serves automotive, communications and data center, computing, consumer, and industrial markets. - TIKR.com



Maxim Integrated Products (MXIM): Fundamental Info

Financials:

- Market Cap: \$16.4B
- Enterprise Value: \$15.8B
- EV/Sales: 7.56x
- P/Norm. Earnings: 30x
- Gross Margin: 65%
- 3YR Revenue Growth: 0.82%

What We Like:

- Net cash on balance sheet
- 26% ROC
- Growing GM w/ stagnant SG&A %
- Generates consistent FCF

What We Don't Like:

- Increased Days Sales Outstanding
- Increase Cash Conversion
- Increased Debt./Equity %



Yunnan Baiyao (000538.CH): Ascending Triangle



Long Trade:

- 3% Entry: \$97.73
- 1.50% Entry: \$96.30
- Stop-Loss: \$84.47
- Profit Target: \$132.13
- Reward/Risk: 3.03x



Yunnan Baiyao (000538.CH): Business Description

Yunnan Baiyao Group Co.,Ltd engages in the pharmaceutical business in China and internationally. The company operates through four segments: Pharmaceuticals, Health Products, Chinese Medicine Resources, and Pharmaceutical Logistics. It provides health products, drugs, medical instruments, Chinese medicine resources, and tea.

The company offers its products under the white medicine health, Leopard seven, Qiancaotang, Qiancaomeizi, and Tianzihong brand names. Yunnan Baiyao Group Co., Ltd. was founded in 1902 and is based in Kunming, China. - TIKR.com



Yunnan Baiyao (000538.CH): Fundamental Info

Financials:

- Market Cap: \$16.98B
- Enterprise Value: \$14B
- EV/EBITDA: 32x
- Gross Margins: 28%
- FCF Margin: 0.2%
- 3YR Revenue Growth: 10%

What We Like:

- 10% 3YR Revenue CAGR
- Consistent Net Income Margin
- \$3.2B in net cash on balance sheet
- 7.2% ROC

What We Don't Like:

- More expensive than competitors on EBITDA basis
- Declining GM w/ Increasing SGA
- Increase Cash Conversion
- Increase Days Out. Inventory



Olvi PLC (OLVAS): Inverse Head & Shoulders



Long Trade:

- 3% Entry: \$44.19
- 1.50% Entry: \$43.54
- Stop-Loss: \$39.50
- Profit Target: \$57.50
- Reward/Risk: 3.45x



Olvi PLC (OLVAS): Business Description

Olvi Oyj, together with its subsidiaries, engages in the manufacture and wholesale of alcoholic and non-alcoholic beverages in Finland, Estonia, Latvia, Lithuania, and Belarus.

The company offers beers, ciders, long drinks, mineral waters, juices, soft drinks, energy drinks, sports beverages, kvass, whisky, and other beverages. It also rents beverage-serving equipment to its hotel, restaurant, and catering customers; and coolers to its retailers. The company was founded in 1878 and is headquartered in Iisalmi, Finland. - TIKR.com



Olvi PLC (OLVAS): Fundamental Info

Financials:

- Market Cap: \$982
- Enterprise Value: \$976
- EV/EBITDA: 11.15x
- EV/Sales: 2x
- P/E: 20x
- ROC: 19%
- 3YR Avg. Gross Margins: 40%

What We Like:

- Net cash on balance sheet
- Long history of operation (since 1880s)
- Not expensive
- One-time hiccup in GM distorts profitability

What We Don't Like:

- Wish there was more insider ownership



Dali Foods (3799.HK): Head & Shoulders Top



Short Trade:

- 3% Entry: \$4.40
- 1.50% Entry: \$4.47
- Stop-Loss: \$5.11
- Profit Target: \$2.76
- Reward/Risk: 2.69x



Dali Foods (3799.HK): Business Description

Dali Foods Group Company Limited, an investment holding company, manufactures and sells food and beverages in Mainland China. It offers bread, cakes, and pastries; chips, fries, and others; biscuits and cookies; herbal tea; plant-based and milk beverages; energy drinks; and other beverage products.

The company offers its products primarily under the Daliyuan, Haochidian, Copico, Doubendou, Hi-Tiger, and Heqizheng brand names. It markets its products through distributors, as well as retail, e-commerce, specialty, and catering channels. - TIKR.com



Dali Foods (3799.HK): Fundamental Info

Financials:

- Market Cap: \$8.12B
- Enterprise Value: \$6.58B
- EV/EBIT: 9.90x
- EV/Sales: 2.12x
- P/Norm. E: 15x
- ROC: 26%
- Gross Margins: 39%
- FCF Margin:

What We Like:

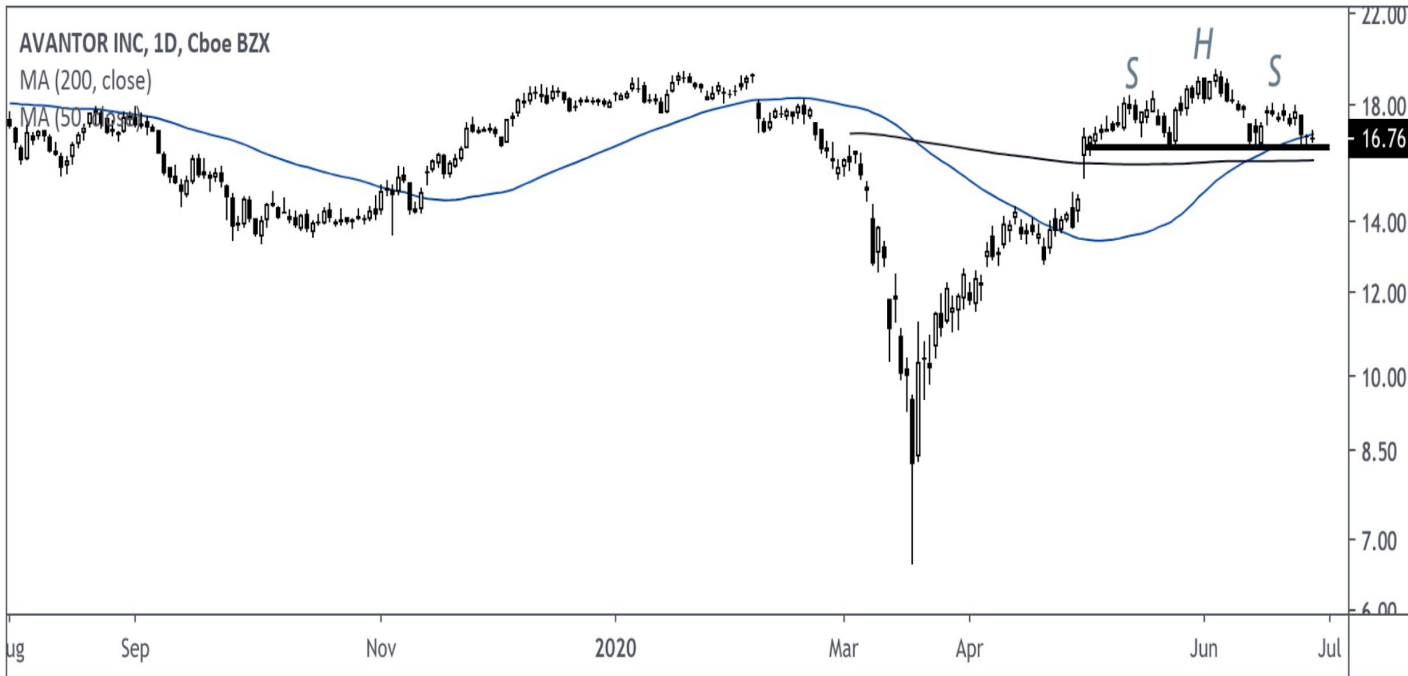
- Growing GM %
- 13% FCF margin
- Makes perishable products everyday people buy
- Cheap
- Net cash on balance sheet

What We Don't Like:

- Growing SG&A expense
- Slowing revenue growth



Avantor, Inc. (AVTR): Head & Shoulders Top



Short Trade:

- 3% Entry: \$16.01
- 1.50% Entry: \$16.26
- Stop-Loss: \$18.06
- Profit Target: \$13.99
- Reward/Risk: 1.27x



Avantor, Inc. (AVTR): Business Description

Avantor, Inc. provides products and services to customers in the biopharma, healthcare, education and government, advanced technologies, and applied materials industries worldwide. The company offers materials and consumables, such as purity chemicals and reagents, lab products and supplies, formulated silicone materials, customized excipients, customized single-use assemblies, process chromatography resins and columns, analytical sample prep kits, education and microbiology products, and clinical trial kits.

It also provides equipment and instrumentation products, including filtration systems, virus inactivation systems, incubators, analytical instruments, evaporators, ultra-low-temperature freezers, biological safety cabinets, and critical environment supplies.- TIKR.com



Avantor, Inc. (AVTR): Fundamental Info

Financials:

- Market Cap: \$10.2B
- Enterprise Value: \$16B
- EV/EBITDA: 15x
- ROC: 7%
- Avg. Gross Margins: 35%
- FCF Margin: 10%

What We Like:

- Cheaper than its peers
- Positive ROCs
- 30% average GM

What We Don't Like:

- Net debt on balance sheet
- Cyclical company
- Consistent declining GM %



Irsa Inversiones (IRS): Rectangle



Long Trade:

- 3% Entry: \$4.20
- 1.50% Entry: \$4.14
- Stop-Loss: \$3.60
- Profit Target: \$6.02
- Reward/Risk: 3.47x

Short Trade:

- 3% Entry: \$2.70
- 1.50% Entry: \$2.74
- Stop-Loss: \$3.30
- Profit Target: \$1.86
- Reward/Risk: 1.56x



Irsa Inversiones (IRS): Business Description

IRSA Inversiones y Representaciones Sociedad Anónima engages in the diversified real estate activities in Argentina. It is involved in the acquisition, development, and operation of shopping malls, office buildings, and other non-shopping mall properties primarily for rental purposes.

The company also acquires and operates hotels; develops and sells residential properties; and acquires undeveloped land reserves for future development or sale. In addition, it engages in the consumer finance operations. - TIKR.com



Irsa Inversiones (IRS): Fundamental Info

Financials:

- Market Cap: \$293M
- Enterprise Value: 5.13B
- EV/Sales: 43x
- EV/EBIT: 54x
- ROC: 1.3%
- Gross Margins: 36%
- FCF Margin: 17.7%

What We Like:

- 30%+ Gross Margins
- Increasing Current Ratio

What We Don't Like:

- Debt/Equity: 3.62x
- Increase in Days Sales Outstanding
- Massive increase in Days Payables
- EBIT/Interest Expense: 0.37x





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