How #dayrebeauty can yield winning investment ideas

Description

Omg kicking myself in the foot right now for missing another winning stock.

For those of you following me on the blog, remember how I posted my review previously of the Fat Freezing procedure I went for with Astique Clinic to try and lose some weight for the wedding?

The treatment was really effective btw but that's not the point of this post.

I freaking missed out on a stock that would have netted me >60% gains in just 3 months!!!! ð??±ð??±ð??¥ð??¥ð??ªð??ªð???ð???

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LOOK AT THIS METEORIC RISE!

ð??°How I came across this stock idea initially ð??¡

I get my investment ideas from anywhere and everywhere. In this case, I chanced upon Zeltiq when I did my treatment with Dr Ng at Astique Clinic. It was the brand of the machine used to freeze my fat cells.

Zeltiq has already been serving Hollywood celebrities way before it was brought to our shores.

Why was I impressed? Because first and foremost, the treatment worked. Although I didn't like the long recovery period that followed (mine was the worst compared to others who did it), it was undoubtedly EFFECTIVE.

A friend who saw me a month after I did the treatment asked if I lost weight cos my arms were slimmer. She had no idea I did fat freezing. @davienne remember? ð???

I wish I took a picture / with measuring tape the before photo so I can show a before after, but I completely forgot la. No wonder I'm finance blogger not #dayrebeauty blogger ð?? can ask @bunbunmakeuptips though she may have hers?

Till date, Zeltiq is the only brand of fat freezing machine that is FDA approved. It is also the company's ONLY product.

To have that much faith and confidence that Zeltiq staked its entire company sales on a single product was a risky move, but they did it. It signals that they were sure they had a winning gem.

There are a few copycat models that claim to use the same technology (and are cheaper) but after checking with doctors, medical professionals and other insiders, I found out that there are 2 key differences.

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1. The rest are not FDA approved.
2. They lack the safety built-in device that prevents burns (permanent nerve damage?)

The US is not the only country with FDA approvals, but the main difference is how stringent the checks and regulatory process is.

It takes YEARS for companies to get FDA approval. In fact, more commonly, companies go through various rounds of approval for a new drug or technology only to get rejected in the end. They then have to start all over again.

Dayre is for micro-blogging so I won't go into details on this, you can google it yourself if you're keen to learn more.

None of the other copycat machines passed these strict tests except for Zeltiq.

On the safety device, Zeltiq machine monitors your body temperature throughout the treatment and automatically shuts down if it drops too low.

You know frostbite? It hurts like crazy. And there are horror stories of people losing their toes or fingers to frostbite permanently.



Even in sunny Singapore.



Amputate finger ð??±

The other machines don't have this safety device which is clained to be Zeltiq's proprietary technology.

You guys can read my detailed review on the blog (www.sgbudgetbabe.com or search my Facebook page) and see the after-treatment photos and description of how painful it was once I left the clinic.

It felt like my nerves had been frozen and died or something. I was so worried I went back to ask Dr Ng the next week if I was really ok.

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Zeltiq was a loss-making company in its early days while it awaited FDA approval before marketing the device and continued to invest in R&D in the meantime.

It took them 4 years to get FDA approval for sides and stomach fat, and to market the procedure in 46 countries.

As a result, their revenue grew 400%!!!

Why I wanted to buy this stock

Having gone through the treatment myself and experiencing it first-hand, I was impressed at how it really did work on me. I had expected it to be a scam at first lo but was glad to be proven wrong.

My analysis also included:
1. How does the technology work?
2. Who are their competitors?
3. What is the difference between all the FDA approvals and types?
4. How much market share does Zeltiq own?

That was solely on trying to understand the business and product.

The next step would then be more difficult â?? is it worth buying the stock now?

This portion requires A LOT of time and calculations, and it isn't something I can do on the go. I need to physically be in front of my laptop with all the data to do this.

It included looking at the company's financial statements in detail, evaluating if any item was too excessive, its valuation metrics, and of course then trying to come up with its intrinsic value.

Its PE ratio was about 55 back then. At its peak, it surged as much as 75.

What this means is that if earnings remained constant, it would take the company / investors 55 to 75 years to get their money back.

So Zeltiq clearly failed the test as a value stock. It didn't pay a lot of dividends either so it wasn't good for income investing.

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I was banking on it being a growth stock, but needed to first assess if the valuations were excessive or overly optimistic.

But then in December and January, I got busy with organising all 3 rounds of the #dayrefinance meetups and crash courses, that I didn't have time to complete my research. I thus parked my research aside, intending to come back to it after the wedding.

Well, you and I know what has already happened since.



Picked up a copy of the Wall Street Journal yesterday after leaving my client's office, and this was what I saw.

Argh!!!!!!!

My $10,000 that I had put aside for investing in the US market could have grown to $16,500 today if I hadn't sat on my butt!

This keeps happening and I've quite a number of missed champions as well other than Zeltiq. Now you guys can see why investing can actually be a full-time job for some people? But the rewards are tremendous!

Oh well, there will always be other opportunities. Time to start hunting for new ideas! Any lobang that y'all want me to research on?

Category

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