

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!!!! ????????

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Zeltiq Aesthetics Inc

ZLTQ (NASDAQ)

55.94

USD

↑ 0.01 (0.03%)

14 Feb, 11:23 AM GMT-5

Disclaimer

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↑ 23.51 (72.52%)

Nov 2, 2016

60

40

20



LOOK AT THIS METEORIC RISE!

?How I came across this stock idea initially ?

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? ?

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 ? 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.

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.

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www.tnp.sg/news/others/man



Elizabeth Law

🕒 Jan 07, 2015 06:00 am



0 Shares

A man has lost his finger to frost
tropical Singapore.

In a rush for time, the minimar
forgotten to turn off an ice cream

Even in sunny Singapore.

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In a rush for time, the minimart forgotten to turn off an ice cream machine before cleaning it.

The middle finger of his left hand was infected by the frostbite that doctors decided to amputate it.

On Dec 6 last year, Mr Ng Hoe Joo was expecting a delivery of ice cream at his two-month-old minimart at Clementi Road 13.

Amputate finger ?

The other machines don't have this safety device which is claimed 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.

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 – 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.

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.

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BUSINESS WATCH

Vehicle Sales in January

market suffered
2017, as an early
and a sales-tax
January de-

18 million pas-
e sold last
world's biggest
government-
association of Au-
cturers said
% on January

ales rose 0.2%
52 million,
demand for
commercial ve-
s increased

to market set
selling more
hicles, 15%
Sales soared
ent reduced
with engines
10% to 5%

However, the sales tax went back up to 7.5% at the start of 2017—and will rise again to 10% at the end of this year—causing concerns that demand for new cars would cool.

The loss of several business days to the Spring Festival vacation was largely to blame for January's weak sales figures.

Even so, the tax increase likely also had an effect by persuading some buyers to purchase cars in 2016, said Yale Zhang, managing director of Automotive Foresight.

Sport-utility vehicles continued to prove fashionable with Chinese consumers, who bought 88.1 million SUVs in January, an increase of 10.5% compared with a year earlier.

—Trefor Moss

ALLERGAN

Company to Acquire Fat-Treatment Firm

Allergan PLC said it would buy Zeltiq Aesthetics Inc., the maker of a fat-reducing treatment, for \$2.26 billion.

Allergan is paying
share, a 14% premium
company's Friday close
\$49.40. Zeltiq's CoolScape
system is approved by the
Food and Drug Administration
freeze fat cells, causing them to
self-destruct over several
months. The treatment is currently
done at dermatologists' offices
and other doctors' offices. It has
proved to reduce fat on the
handles, abdomen, and thighs
below the chin.

Allergan says the acquisition is
likely to add to earnings. The
company is expected to close the
half of the year.

—Aurora

VOLKSWAGEN

Co-Head Is Moving For Korea Branch

Volkswagen AG said it is moving
its legal-affairs chief to Seoul
of Audi Volkswagen Group
amid a legal dispute with
the German auto giant over
South Korean government
an emissions scandal.

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

1. Investing
2. Stocks

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