

JULY 2020



ATLANTIC CAPITAL MARKETS



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$Cb = pH[H^+]$ $[OH^-]$

Analysis: Complete.
Position: #120498 05
Offset: 64005 980 011B
Current status: Online.

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$Cb = pH[H^+]$	$[OH^-]$	Alpha(A)	Phi
7.403.98E-08	2.51E-07	0.201	0.201
7.602.51E-08	3.98E-07	0.285	0.285
8.001.00E-08	1.00E-06	0.500	0.500
8.403.98E-09	2.51E-06	0.715	0.715
8.801.58E-09	6.31E-06	0.863	0.864
9.001.00E-09	1.00E-05	0.909	0.910
9.403.98E-10	2.51E-05	0.962	0.962
9.801.58E-10	6.31E-05	0.984	0.988
10.001.00E-10	1.00E-04	0.990	0.996

AstraZeneca

01872 229 000

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AstraZeneca are one of the global big pharma's and a welcome addition to any portfolio based on stable earnings, defensive qualities and a solid dividend yield. That being said it is not always easy sailing for Pharma's with the biggest risk to short term share price movements coming from testing results on certain drugs. Astra have also been at the forefront of the development of a vaccine for Covid-19 and this is something we will look into later on.

A Brief History

AstraZeneca PLC is a British-Swedish multinational pharmaceutical and biopharmaceutical company with its global headquarters in Cambridge. AstraZeneca has a portfolio of products for major disease areas including cardiovascular, cancer, gastrointestinal, neuroscience, infection, respiratory and inflammation.

The firm tracks its origins from the merger of Astra and Zeneca. Astra AB was founded in 1913 in Södertälje, Sweden and in 1993 the British chemicals company ICI demerged its pharmaceuticals businesses to form Zeneca Group plc, leading to the formation of AstraZeneca in 1999. Since the merger it has been among the world's largest pharmaceutical companies and has made numerous further corporate acquisitions, including Cambridge Antibody Technology (in 2006), MedImmune (in 2007), Spirogen (in 2013) and Definiens (by MedImmune in 2014).

Coronavirus (COVID-19) Response

Europe

AstraZeneca have wasted no time using their wide range of resources to come headlong into the battle against Covid-19. Initially back in March the company announced that it would be donating PPE, including 9 million face masks to help support various international health organisations mitigating the COVID-19 pandemic. In April, the Chief Executive, Pascal Soriot, reported that the company was working with GlaxoSmithKline and the University of Cambridge to develop a new laboratory capable of conducting 30,000 Covid-19 tests per day. The company also announced plans for a clinical trial to assess the potential use of Calquence in the treatment of Covid-19.

In June 2020, the National Institute of Allergy and Infectious Diseases (NIAID) confirmed that the third phase of testing for potential vaccines developed by Oxford University and AstraZeneca would begin in August 2020.

The America's

AstraZeneca and Emergent BioSolutions also signed an \$87 million deal to manufacture doses of the Oxford University's adenovirus-based COVID-19 vaccine specifically for the U.S. market. In June AstraZeneca signed a contract with Europe's Inclusive Vaccines Alliance, a group formed by France, Germany, Italy and the Netherlands, to supply up to 400 million doses of its experimental COVID-19 vaccine to all European Union member states.

AstraZeneca and the government of Brazil have put together a deal valued at \$127 million to produce doses of the COVID-19 vaccine. Brazil will produce around 30 million doses of the vaccine, with roughly half that amount available by December.



Asia

There is also a supply deal being put together in Japan with local pharmaceutical firm Daiichi Sankyo commenting about a supply deal with AstraZeneca after the Japanese government agreed to discuss a possible deal.

Daiichi Sankyo Biotech, a subsidiary of the Japanese drug maker, plans to receive the undiluted vaccine, which it will finish at its own facilities. Daiichi pledged to continue its work on developing an inhaled formulation to treat COVID-19.

India

AstraZeneca has an Indian based subsidiary which has gained a lot of attention recently as the optimism rises over the drug coming to India. This move has been fuelled by news that a licensing deal has been signed between Astra and the Serum Institute of India to provide one billion doses with the goal of 400 million produced by year-end. In total, the deals bring AstraZeneca's overall supply capacity for Oxford's vaccine to more than 2 billion doses per year.

Key Fundamentals

PE Ratio	30.64	19.7	28.26	44.22	97.49
PEG	0.24	0.83	-1.99	-1.56	-2.47
Earnings per Share Growth	127.55%	23.88%	-14.21%	-28.27%	-39.41%
Dividend Cover	0.8	0.99	0.85	0.61	0.37
Revenue Per Share	1,954.75¢	1,813.37¢	1,774.49¢	1,743.49¢	1,874.25¢
Pre-Tax Profit per Share	244.07¢	282.62¢	180.25¢	166.22¢	127.90¢
Operating Margin	16.65%	21.31%	16.37%	15.33%	11.99%
Return on Capital Employed	12.85%	14.99%	11.41%	10.53%	9.39%
Dividend Yield	4.10%	5.13%	4.18%	3.72%	2.79%
Dividend per Share Growth	-1.43%	-1.00%	0.27%	-	-
Net Asset Value per Share (exc. Intangibles)	-1,267.60¢	-1,927.71¢	-1,820.61¢	-1,673.03¢	-1,476.52¢
Net Gearing	47.66%	79.37%	96.81%	114.55%	92.81%



Chart



Medicinal Portfolio

Alvesco® (ciclesonide) - Treatment to control persistent asthma in adults and adolescents.

Arimidex® (anastrozole) - Treatment of hormone receptor-positive advanced breast cancer in postmenopausal women.

Bambec® (bambuterol) - Management of asthma, bronchospasm and/or reversible airways obstruction.

Bricanyl® (terbutaline sulphate) - Treatment for bronchodilation. Recommended for the relief and prevention of bronchospasm in bronchial asthma and other bronchopulmonary disorders in which bronchospasm is a complicating factor.

Brilique® (ticagrelor) - Co-administered with acetylsalicylic acid (ASA), is indicated for the prevention of atherothrombotic events in adult patients with acute coronary syndrome.

Bydureon® (exenatide) - Used in adults with type 2 diabetes to improve glycaemic control in combination with other glucose-lowering medicinal products including basal insulin, when the therapy in use, together with diet and exercise.

Byetta® (exenatide) - Treatment of type 2 diabetes mellitus in combination with metformin / sulphonylureas / thiazolidinediones / metformin and a sulphonylurea / metformin and a thiazolidinedione in adults who have not achieved adequate glycaemic control on maximally tolerated doses of these oral therapies.



Casodex® (bicalutamide) - Treatment either alone or as adjuvant to radical prostatectomy or radiotherapy in patients with locally advanced prostate cancer at high risk for disease progression.

Crestor® (rosuvastatin) - Treatment of hypercholesterolaemia Adults, adolescents and children aged 6 years or older with primary hypercholesterolaemia as an adjunct to diet when response to diet and other non-pharmacological treatments (e.g. exercise, weight reduction) is inadequate.

Daxas® (roflumilast) - Indicated for maintenance treatment of severe chronic obstructive pulmonary disease (COPD) Associated with chronic bronchitis in adult patients with a history of frequent exacerbations as add on to bronchodilator treatment.

Duaklir® Genuair (aclidinium/formoterol) - A maintenance bronchodilator treatment to relieve symptoms in adult patients with chronic obstructive pulmonary disease (COPD).

Eklira® Genuair (aclidinium/bromide) - Maintenance bronchodilator treatment to relieve symptoms in adult patients with chronic obstructive pulmonary disease (COPD).

Fasenra® (benralizumab) - An add-on maintenance treatment in adult patients with severe eosinophilic asthma inadequately controlled despite high-dose inhaled corticosteroids plus long-acting β -agonists.

Faslodex® (fulvestrant) - Therapy for the treatment of oestrogen receptor positive, locally advanced or metastatic breast cancer in postmenopausal women:

Fluenz Tetra® (live attenuated, nasal) - Prophylaxis of influenza in children and adolescents from 24 months to less than 18 years of age.

Forxiga® (dapagliflozin) - Treatment of insufficiently controlled type 2 diabetes mellitus as an adjunct to diet and exercise.

IMFINZI® (durvalumab) - As a monotherapy for the treatment of locally advanced, unresectable non-small cell lung cancer (NSCLC) in adults.

Iressa® (gefitinib) - A monotherapy for the treatment of adult patients with locally advanced or metastatic non-small cell lung cancer (NSCLC) with activating mutations of EGFR-TK.

Komboglyze® (saxagliptin/metformin hydrochloride) - Used in adults with type 2 diabetes mellitus as an adjunct to diet and exercise to improve glycaemic control.

Losec® (omeprazole) - Treatment of duodenal ulcers, prevention of relapse of duodenal ulcers, treatment of gastric ulcers, prevention of relapse of gastric ulcers

Lokelma® (sodium zirconium cyclosilicate) - Lokelma is indicated for the treatment of hyperkalaemia in adult patients.

Nexium® (esomeprazole) - Nexium tablets are indicated in adults for Gastroesophageal Reflux Disease (GERD), treatment of erosive reflux esophagitis, long-term management of patients with healed esophagitis to prevent relapse, symptomatic treatment of



gastroesophageal reflux disease (GERD), In combination with appropriate antibacterial therapeutic regimens for the eradication of *Helicobacter pylori*.

Onglyza® (saxagliptin) - Used in adult patients with type 2 diabetes mellitus as an adjunct to diet and exercise to improve glycaemic control.

Lynparza® (olaparib) - Maintenance treatment for adult patients with advanced high-grade epithelial ovarian, fallopian tube or primary peritoneal cancer. Maintenance treatment of adult patients with platinum-sensitive relapsed high-grade epithelial ovarian, fallopian tube, or primary peritoneal cancer who are in response (complete or partial) to platinum-based chemotherapy.

Seroquel XL® (quetiapine) - Treatment of schizophrenia and as a treatment of bipolar disorder. For the treatment of moderate to severe manic episodes in bipolar disorder and for the treatment of major depressive episodes in bipolar disorder.

Symbicort® (budesonide/formoterol) - In the regular treatment of asthma where use of a combination (inhaled corticosteroid and long-acting β_2 adrenoceptor agonist).

TAGRISSO® (osimertinib) - Treatment is indicated for the first-line treatment of adult patients with locally advanced or metastatic non-small cell lung cancer (NSCLC) with activating epidermal growth factor receptor (EGFR) mutations.

Tenormin® (atenolol) - Tenormin is indicated in the treatment of Management of hypertension, Management of angina pectoris, Management of cardiac arrhythmias. Management of myocardial infarction. Early intervention in the acute phase.

Tenoret 50® (atenolol/chlorthalidone) - Management of hypertension.

Tenif® (atenolol/nifedipine) - Management of hypertension where therapy with either a calcium channel blocker or a beta-blocking drug proves inadequate.

Vimovo® (naproxen/esomeprazole magnesium) - The symptomatic treatment of osteoarthritis, rheumatoid arthritis and ankylosing spondylitis, in patients who are at risk for developing non-steroidal anti-inflammatory drug (NSAID)-associated gastric and/or duodenal ulcers and where treatment with lower doses of naproxen or of other NSAIDs is not considered sufficient.

Xigduo® (dapagliflozin/metformin) - Treatment of type 2 diabetes mellitus as an adjunct to diet and exercise.

Zestoretic® (lisinopril dehydrate/hydrochlorothiazide) - Used in the management of mild to moderate hypertension in patients who have been stabilised on the individual components given in the same proportions.

Zestril® (lisinopril) - Treatment of hypertension, Heart failure, Treatment of symptomatic heart failure. Acute myocardial infarction. Short-term (6 weeks) treatment of haemodynamically stable patients within 24 hours of an acute myocardial infarction.

Zoladex® (goserelin) - Zoladex is used as the treatment of metastatic prostate cancer where Zoladex has demonstrated comparable survival benefits to surgical castrations. In the



treatment of locally advanced prostate cancer, as an alternative to surgical castration where Zoladex has demonstrated comparable survival benefits to an anti-androgen. As adjuvant treatment to radiotherapy in patients with high-risk localised or locally advanced prostate cancer where Zoladex has demonstrated improved disease-free survival and overall survival. As neo-adjuvant treatment prior to radiotherapy in patients with high-risk localised or locally advanced prostate cancer where Zoladex has demonstrated improved disease-free survival.

About Atlantic Capital Markets

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