

TECHNICAL ANALYSIS

Technical Analysis on Alibaba Group | January 10, 2020

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Alibaba Group Key Data (as of January 10, 2020)

52-Week High-Low (in \$)	223.53 – 143.10	P/E	31.27
Number of Shares (mn)	~2,680	Beta Co-efficient	1.13
Market Cap (in \$ mn)	599,060	50-day Avg. Volume	16,175,882

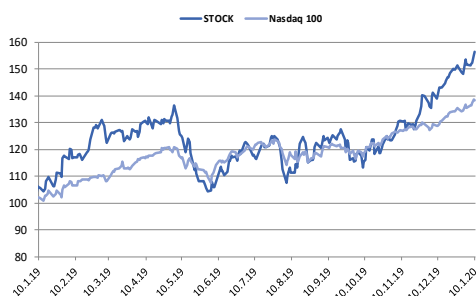
Financial Statements Data

Amounts in mn \$	2019	2018	Change(%)
Revenue	56,152	39,898	40.74%
Gross Profit	25,319	22,833	10.89%
EBITDA	19,022	15,796	20.42%
Net Profit	11,955	9,791	22.10%

Note: Year end is on March 31st.

Financial Ratios	2019	2018	2017
Liabilities / Equity	0.57	0.63	0.56
ROA	8%	9%	8%
ROE	13%	14%	13%
WC Ratio	1.30	1.89	1.95
Asset Turnover Ratio	0.39	0.35	0.31

Alibaba Group Stock versus NYSE Composite (Period January 2019 – January 2020)



Stock Price: \$223.53

[Bloomberg Ticker: BABA:US]

[Reuters Ticker: BABA.N]

US / Chinese Equities

Listed on NYSE ADR, U.S.A.

Business Sector / Industry: Consumer Discretionary / Internet & Direct Marketing Retail

Financial Highlights & Investment Considerations

- Alibaba Group Holding Ltd (BABA) is a Chinese company founded in 1999 and based in Hangzhou, China. The company has a workforce of 101,958 full-time employees and operates in four business segments worldwide. These segments consist of Core Commerce, Cloud Computing, Digital Media and Entertainment, Innovation Initiatives and others. It is best known for the Alibaba.com platform (including 1688.com and AliExpress.com segments), Taobao, Tmall and online payment platform Alipay. The company has been listed on the New York Stock Exchange since 2014 with the largest IPO in history and on the Hong Kong Stock Exchange since 2019.
- On August 18th, 2017, Alipay announced a partnership with Yelp to bring more personalized content to Chinese travelers and offer an opportunity for US businesses to connect with them. On December 20th, 2018, Bilibili Inc, a leading online entertainment platform for young generations in China, announced a business collaboration agreement with Taobao, the largest mobile commerce destination under Alibaba in China, in content-driven e-commerce and commercialization of Bilibili's intellectual property ("IP") assets. On September 6th, 2019, the Kaola e-commerce platform was bought by Alibaba Group Holding Ltd for \$2 billion. On November 8th, 2019, Alibaba Group invested an additional \$3.3 billion in Cainiao Smart Logistics Network, in order to grow its majority stake in its shipping affiliate. On November 26th, 2019, Alibaba Group officially went public in Hong Kong and was officially listed on the main board of Hong Kong Exchanges and Clearing Limited (HKEX).

Graph Analysis and Technical View



Over the last 3 months, there has been a bullish trend on Alibaba Group's stock price which has been fluctuating between the support level of 161.09 and the resistance level of 223.63. Meanwhile, the stock was moving close to the upper Bollinger Band for most of the period where it surpassed it on two occasions indicating an overbought market. However it retreated both times within a short period. In the middle of October 2019, the MACD crossed below both the Zero and the Signal Line generating a buy signal. Throughout November 2019 the Stoch RSI exceeded twice the 80-limit. On November 24th, the stock price "rejected" the 20-Moving Average and from that moment it followed an upward trend. From November 28th to December 30th, the MACD crossed below the Signal Line again, confirming the uptrend and the Stoch RSI was notching levels above the 80-limit. During the first days of January 2020, the MACD was trading below the Signal Line and Stoch RSI crossed below the 80-limit for the fourth time over the period under consideration.

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ALIBABA GROUP HOLDING LTD	BABA:US	BABA.N	USD 223.53	January 10, 2020	6

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