

Smith & Wesson Hldgs Corp (SWHC)

Company Facts - [WebSite](#)

Smith & Wesson Holding Corporation, through its subsidiary, Smith & Wesson Corp., manufactures firearms primarily in the United States. It produces a range of pistols, revolvers, tactical rifles, hunting rifles, black powder firearms, handcuffs, and firearm-related products and accessories for various customers, such as gun enthusiasts, collectors, hunters, sportsmen, competitive shooters, protection focused individuals, law enforcement agencies and officers, and military agencies

Ticker	Market Cap	Sector	Exchange	Currency	Indices
SWHC	£1.29bn	Leisure	NASDAQ	US Dollar	NASDAQ

Key Features

- Leading position in the U.S. firearm market
- Iconic brand with customer driven product portfolio
- New high growth, high margin accessories division
- Strong financial performance: Profitable Growth
- Long-term quarterly gross margin target in the range of 37% -41%
- Strong balance sheet and cash flows from operations
- Year on year share performance increase 81.7%. (6 Apr 2015 \$12.93 6 Apr 2016 \$23.49)

Recent News

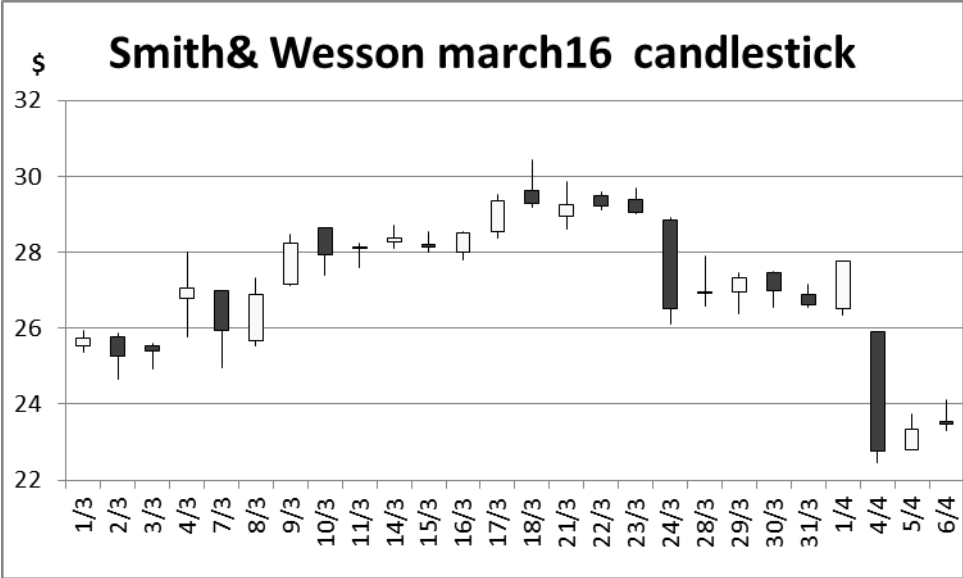
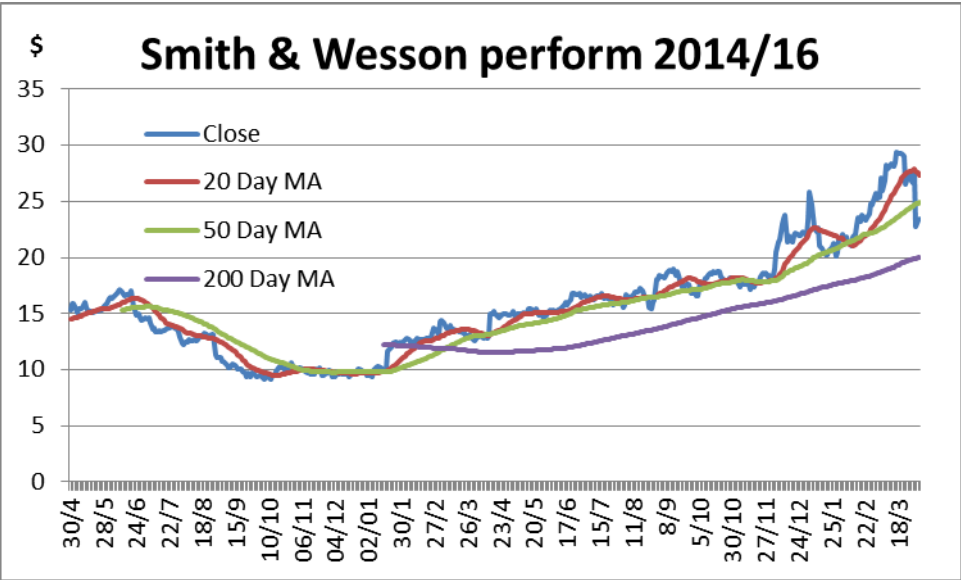
- DECEMBER 2014:[Battenfeld Technologies Inc] Purchase of industry-leading provider of hunting and shooting accessories provides a broad, established platform for organic and inorganic growth of newly created accessories division

Financial Performance

- [Analyst Estimates](#)
- [Investor Information](#)

	2014	2015	change
	\$m	\$m	%
Piotroski F Score (Fair)			5
Beneish M Score (Good)			-2.79
Altman Z Score (Good)			5.82

TECHNICAL ANALYSIS – Technical Diagnosis – Moving averages of the 20,50 and 200 Day have been on an upward incline until late mid-March 2016. A significant share price retracement have taken place from the 24 March. Using Fibonacci level analysis, the share fell to a 0.786 level from its recent high of \$29.28. Despite the significant fall in the share price, I have taken a contrarian view that plenty of upside now exists to capitalize on a potential resumption to its previous heights of \$30 and beyond over a medium term. In the week of 4 April the share has tentatively gone above the Ichimoku cloud and with several positive candles since the fall of 24 March, has led me to the view that a courageous trade may well pay dividends in the future. The contributory factors regarding recent adverse price falls; Markets reaction to recent company reporting figures together with the upcoming uncertainty over the US presidential election. The alternative party views on gun control will be a factor in the bounce back ability of this share. I decided to take an unconventional trade as a UK resident, believing that the share offers plenty of upside potential irrespective of party sentiment and ethical considerations. I purchased 138 Shares @ \$23.68 [£17.05] seeing this as a contrarian play.. **Please note this analysis is not advice but interpretation of potential market moves.** Past performance is no guide to the future. First Share Reviewed on 7 April 2016 at \$23.68



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