

# Eli Lilly and Company (LLY) - ANALYST REPORT

Executive Summary with Comprehensive Analysis

**\$1004.92** **-\$1.78 (-0.18%)** AS OF 2026-05-15

Strategy: Conservative Stop Loss (Fixed ATR-based)

## ■ QUICK DECISION

Action: HOLD | Confidence: LOW | Signal Strength: 0/7

## EXECUTIVE SUMMARY - Essential Metrics

TECHNICAL METRICS	VALUE	FUNDAMENTAL METRICS	VALUE
Current Price	\$1004.92	Market Cap	\$896.1B
Past Win Rate (Backtest)	50.0%	Forward P/E	22.6x
Past Total Return	+108.5%	Analyst Target	\$1210.00
RSI / Trend Strength	61 / 18	Upside to Target	+20.4%
MACD Signal	Bullish	Revenue Growth	+55.5%
Profit Factor	4.72	Institutional Own.	85.4%
Position Entry	2025-11-03 @ \$896.53	Analyst Ratings	24 Buy / 6 Hold / 1 Sell
Open Position Past P&L	+12.1%		

## ■ TECHNICAL ANALYSIS SUMMARY

Indicator	Value	Signal
EMA 20	\$961.57	Bullish
EMA 50	\$956.71	Bullish
RSI (14)	60.8	Strong bullish momentum
Trend Strength (ADX)	18.5	Weak/No trend (<20)

## ■ CONSENSUS & INVESTMENT RATIONALE

RATING	HOLD
Target Price	\$1210.00
Upside/Downside	+20.4%
Risk/Reward	1.36:1
Time Horizon	6-12 months

**Investment Rationale:** Our HOLD rating is based on: (1) Technical backtest showing 50.0% win rate with +108.5% total return over backtest period, (2) +20.4% upside to analyst consensus target of \$1210.00, (3) Strong fundamental growth profile with +55.5% revenue growth, and (4) 85.4% institutional ownership indicating high conviction from professional investors.

**Action:** Maintain position with +12.1% unrealized gain. Watch for confluence signal to add.

**Technical Signal:** Confluence 0/7 (threshold: 5) | **Risk/Reward:** Neutral

## ■ KEY INSIGHT

The fixed stop strategy has proven effective (Win Rate: 50.0%, Avg Return: +14.2%), but patience is critical. Only enter on confirmed signals with proper risk management. Current technical confluence of 0 does not meet entry threshold of 5 - remain on sidelines. Fundamental backdrop shows 170% earnings growth with 85% institutional ownership, indicating strong conviction from professional investors.

## ■ INTELLIGENT STOP LOSS STRATEGY

METRIC	VALUE	DETAILS
Current Price	\$1004.92	Latest market price
Buy Stop Loss	\$945.05	Conservative 2.0x ATR (6.0% distance)
Position Stop Loss	\$960.02	Hybrid 1.50x ATR (4.5% distance)
ATR (14-day)	\$29.93	Volatility: 3.0% of price
ADX Strength	18.5	Weak/No Trend

**Status:** Position up +12% - Adaptive strategy adjusts for momentum

ADX: 20-25 = Emerging trend | 25-50 = Strong trend | 50+ = Very strong

## ■ Strategy Comparison: Conservative vs Hybrid

METRIC	CONSERVATIVE (2.0x ATR)	HYBRID (Adaptive)
Past Win Rate	50%	50%
Past Total Return	+108.5%	+95.1%
Max Drawdown	-11.4%	-10.8%
Total Trades	16	24
Position	OPEN	OPEN

Both strategies analyzed independently. Conservative uses fixed 2.0x ATR stops. Hybrid adapts stops based on position profit.

For the latest stock analysis, support, resistance and interactive charts, visit [Ultra Stock Analysis Pro](#)

## ■ ANALYST RATING CHANGES - COMPLETE HISTORY

All recent upgrades, downgrades, and price target changes (last 90 days)

Firm	Action	From → To	Date
Guggenheim	REITERATED	Buy → Buy	May 05, 2026
Wolfe Research	REITERATED	Outperform → Outperform	May 04, 2026
HSBC	DOWNGRADE	Hold → Reduce	Mar 17, 2026
RBC Capital	INITIATED	Outperform	Feb 25, 2026
Barclays	INITIATED	Overweight	Feb 20, 2026

### *Analyst Price Targets*

**Average Target:** \$1210.00 (+20.4% from current)

**High Target:** \$1500.00 (+49.3%)

**Low Target:** \$850.00 (-15.4%)

**Current Price:** \$1004.92

## DETAILED ANALYSIS: BUY-SIDE PERSPECTIVE

In-Depth Portfolio Management Analysis

### *Expected Returns & Position Sizing*

Based on backtest performance (Win Rate: 50.0%, Avg Return: +14.2%) and analyst consensus (Target: \$1210.00, +20.4% upside), an **OVERWEIGHT** exposure may be considered. Risk/Reward ratio of 1.36:1 suggests moderate risk-adjusted returns. Current open position shows +12.1% unrealized gain, supporting hold decision.

### *Catalyst Calendar & Timing*

**Next Major Catalyst:** Aug 05, 2026 earnings report

**Seasonality:** Historical analysis shows positive momentum in backtest period

**Technical Setup:** Neutral - waiting for confluence signal

**Institutional Activity:** 85.4% institutional ownership (Largest: Lilly Endowment, Inc)

**Short Interest:** 0.9% of float - Moderate short interest

### *Liquidity Profile*

**Average Volume:** 3.1M shares/day - Lower liquidity

**Market Cap:** \$896.1B - Large cap

**Beta:** 0.48 - Lower than market volatility

**Execution Risk:** Moderate for institutional-sized positions

# SELL-SIDE PERSPECTIVE - Investment Research Analysis

## *Investment Thesis*

Eli Lilly and Company operates in the Healthcare sector (Drug Manufacturers - General). Current valuation of 22.6x forward P/E reflects reasonable multiples relative to growth prospects. Operating margin of 49.4% shows strong profitability. **Fundamental Outlook:** Strong Growth - Positive operating leverage with revenue and earnings acceleration

## *Valuation Analysis*

**Forward P/E:** 22.6x

**Trailing P/E:** 35.7x

**Price/Sales:** 12.40x - Premium valuation

**Price/Book:** 28.78x

**Enterprise Value:** \$934.2B

**EV/Revenue:** 12.93x (vs industry avg)

## *Competitive Positioning & Market Share*

**Key Competitors:** Various industry players

**U.S. Market Share:** 0% - Competitive player

**Global Market Share:** 0%

**Competitive Advantages:** Market position, Technology, Brand

**Key Products:** Core products and services

## *Institutional Sentiment & Ownership*

**Institutional Ownership:** 85.4% - Very high institutional confidence

**Largest Holder:** Lilly Endowment, Inc (91.9M shares)

**Analyst Coverage:** 31 analysts

**Consensus:** 24 Buy, 6 Hold, 1 Sell - Bullish sentiment

## ■ 7-DAY NEWS SENTIMENT ANALYSIS

Market Sentiment from Recent Financial News

METRIC	VALUE	ANALYSIS
<b>Overall Score</b>	<b>+5.1 / 10</b>	Bullish
<b>Articles Analyzed</b>	10	Last 7 days (top 5 shown per category)
<b>Bullish Articles</b>	8 (80%)	Positive sentiment
<b>Bearish Articles</b>	0 (0%)	Negative sentiment
<b>Neutral Articles</b>	2 (20%)	Mixed/Neutral tone

### ■ TOP BULLISH HEADLINES

#### 1. How Important Are Skyrizi and Rinvoq to AbbVie's Q1 Results? (Zacks, May 15)

ABBV's Q1 beat is powered by Skyrizi and Rinvoq, whose strong sales growth offset Humira declines and boosts 2026 guidance....

Source: <https://finance.yahoo.com/sectors/healthcare/articles/important-skyrizi-rinvoq-a>

#### 2. Is Kailera Therapeutics a Buy After Its Sizzling IPO? (Motley Fool, May 16)

There's a new challenger to the more established players in the weight-loss drug space....

Source: <https://www.fool.com/investing/2026/05/16/is-kailera-therapeutics-a-buy-after-it>

#### 3. Eli Lilly (LLY) Reports New Late-Stage Weight Loss Trial Results (Insider Monkey, May 16)

Eli Lilly and Company (NYSE:LLY) is one of the Top 10 Stocks That Will Profit from AI. The company has recently introduced LillyPod, the pharmaceutical...

Source: <https://finance.yahoo.com/sectors/healthcare/articles/eli-lilly-lly-reports-stag>

#### 4. Morgan Stanley flags vital Eli Lilly signal for 2026 (TheStreet, May 15)

Picture a drug so popular that, even in markets where a cheaper generic competitor had just launched, it still grew by 10%. That's what happened to Eli...

Source: <https://www.thestreet.com/investing/stocks/morgan-stanley-flags-vital-eli-lilly->

#### 5. Eli Lilly (LLY) Valuation Check After Strong Q1 Guidance Upgrade And New Obesity Trial Results (Simply Wall St., May 15)

Eli Lilly (LLY) stock is back in focus after the company reported a very strong Q1, raised its full year revenue and earnings guidance, and released n...

Source: <https://finance.yahoo.com/markets/stocks/articles/eli-lilly-lly-valuation-check->

### ■ SENTIMENT INTERPRETATION

The news sentiment is **strongly bullish**, indicating positive market perception and favorable coverage. This suggests growing investor confidence and potential upward momentum. Consider this as a supporting factor for bullish positions, but verify with technical and fundamental analysis.

# DEEP DIVE: COMPREHENSIVE RISK ASSESSMENT

Detailed Risk Factors and Mitigation Strategies

## ***Key Risks & Mitigants***

### **Company-Specific Risks:**

- Competition
- Market conditions
- Regulatory changes

### **Technical Risk Factors:**

- Win Rate: 50.0% (8 wins, 8 losses)
- Profit Factor: 4.72x (Avg Win 36.1% vs Avg Loss -7.6%)
- Current Confluence: 0 (Last: 4 on May 11) - No setup - awaiting signal
- Volatility (ATR 14): \$29.93 (3.0% of price) - Stop loss typically 2-3x ATR

### **Market Risk:**

- Beta: 0.48 - Below-average market sensitivity
- Short Interest: 0.9% - Normal short activity

## REFERENCE: APPENDIX A - Complete Technical Indicators

Comprehensive Technical Data for Quantitative Analysis

Indicator	Value	Interpretation
EMA 20	\$961.57	Short-term trend
EMA 50	\$956.71	Medium-term trend
EMA 200	\$933.30	Long-term trend
Relative Strength	60.8	Strong bullish momentum
MACD	19.42	Bullish
MACD Signal	10.28	Signal line
MACD Histogram	9.14	Bullish
Volatility (ATR 14)	\$29.93	3.0% of price
Trend Strength (ADX)	18.5	Weak/No trend (<20)
+DI	29.5	Positive directional movement
-DI	19.0	Negative directional movement
Stochastic %K	92.1	Overbought
Stochastic %D	92.0	Overbought
Bollinger Upper	\$1044.56	Resistance zone
Bollinger Middle	\$944.45	Moving average
Bollinger Lower	\$844.33	Support zone
VWAP	\$1005.57	Volume-weighted average

## REFERENCE: APPENDIX B - Complete Fundamental Metrics

Comprehensive Fundamental Data for Financial Analysis

Category	Metric	Value	Interpretation
Valuation	Market Cap	\$896.1B	Total market value
Valuation	Enterprise Value	\$934.2B	Total company value
Valuation	Forward P/E	22.6x	Price to forward earnings
Valuation	Trailing P/E	35.7x	Price to trailing earnings
Valuation	PEG Ratio	1.35	P/E relative to growth
Valuation	Price/Sales	12.40x	Market cap to revenue
Valuation	Price/Book	28.78x	Price to book value
Valuation	EV/Revenue	12.93x	Enterprise value to revenue
Valuation	EV/EBITDA	25.8x	Enterprise value to EBITDA
Performance	Revenue (TTM)	\$72.2B	Trailing 12-month revenue
Performance	Revenue Growth	+55.5%	Year-over-year growth
Performance	Earnings Growth	+169.9%	Earnings growth rate
Performance	EPS Growth (Next Yr)	+57.9%	Forward EPS growth estimate
Performance	Gross Profit	\$59.8B	Revenue minus COGS
Performance	Operating Income	\$20.5B	EBIT
Performance	Net Income	\$25.3B	Bottom line profit
Performance	Free Cash Flow	\$9.2B	Cash after capex
Performance	Operating Cash Flow	\$20.5B	Cash from operations
Profitability	Gross Margin	82.8%	Gross profit margin
Profitability	Operating Margin	49.4%	Operating efficiency
Profitability	Profit Margin	35.0%	Net margin
Profitability	ROE	107.5%	Return on equity
Profitability	ROA	20.7%	Return on assets
Profitability	ROIC	N/A	Return on invested capital
Balance Sheet	Total Assets	\$0.0B	Total assets
Balance Sheet	Total Liabilities	\$0.0B	Total liabilities
Balance Sheet	Total Debt	\$43.4B	Total debt outstanding
Balance Sheet	Cash & Equivalents	\$5.3B	Liquid assets
Balance Sheet	Book Value/Share	\$34.92	Net worth per share
Balance Sheet	Current Ratio	1.50	Current assets/liabilities
Balance Sheet	Quick Ratio	0.72	Liquid assets/liabilities
Balance Sheet	Debt/Equity	1.39	Leverage ratio
Market	Beta	0.48	Market correlation
Market	52-Week High	\$1133.95	Annual high
Market	52-Week Low	\$623.78	Annual low

<b>Market</b>	Avg Volume	3.1M	Average daily volume
<b>Market</b>	Shares Outstanding	0.9B	Total shares
<b>Market</b>	Float	0.9B	Tradeable shares
<b>Market</b>	Short Interest	0.9%	Shares sold short
<b>Market</b>	Institutional Own.	85.4%	Institution held
<b>Analysts</b>	Coverage Count	29	Number of analysts
<b>Analysts</b>	Average Rating	1.7	1=Strong Buy, 5=Sell
<b>Analysts</b>	Buy/Hold/Sell	24/6/1	Rating distribution
<b>Analysts</b>	Target Price	\$1210.00	Average price target
<b>Analysts</b>	Target High	\$1500.00	Highest target
<b>Analysts</b>	Target Low	\$850.00	Lowest target
<b>Other</b>	Next Earnings	Aug 05, 2026	Earnings report date
<b>Other</b>	Dividend Yield	0.69%	Annual dividend rate
<b>Other</b>	Ex-Dividend Date	1778803200	Next ex-div date

## REFERENCE: APPENDIX C - Complete Trade History

### Detailed Backtesting Results and Trade Log

Entry	Exit	Type	Entry \$	Exit \$	Past P&L %	Past P&L \$
2019-06-13	2020-01-22	CONFLUENCE	\$111.82	\$141.56	+26.6%	+\$1190
2020-01-30	2020-02-28	CONFLUENCE	\$142.67	\$126.13	-11.6%	-\$777
2020-02-28	2020-08-10	CONFLUENCE	\$126.13	\$153.00	+21.3%	+\$860
2020-09-10	2020-10-30	CONFLUENCE	\$146.22	\$130.46	-10.8%	-\$504
2020-12-09	2021-01-29	CONFLUENCE	\$158.00	\$207.97	+31.6%	+\$1249
2021-03-15	2021-03-26	CONFLUENCE	\$189.16	\$185.31	-2.0%	-\$73
2021-05-10	2021-08-17	GOLDEN_CROSS	\$194.76	\$272.71	+40.0%	+\$2494
2021-09-09	2021-09-20	CONFLUENCE	\$240.00	\$231.64	-3.5%	-\$209
2021-10-27	2022-01-20	GOLDEN_CROSS	\$250.17	\$243.13	-2.8%	-\$176
2022-03-07	2022-04-07	GOLDEN_CROSS	\$261.64	\$308.43	+17.9%	+\$983
2022-06-24	2022-08-09	CONFLUENCE	\$325.62	\$303.02	-6.9%	-\$339
2022-09-29	2024-03-04	GOLDEN_CROSS	\$330.01	\$792.28	+140.1%	+\$6934
2024-05-21	2024-08-02	CONFLUENCE	\$803.17	\$804.46	+0.2%	+\$14
2024-08-13	2024-11-05	CONFLUENCE	\$908.05	\$806.06	-11.2%	-\$510
2024-11-18	2025-04-01	CONFLUENCE	\$727.20	\$805.23	+10.7%	+\$546
2025-04-29	2025-05-07	GOLDEN_CROSS	\$885.20	\$776.72	-12.2%	-\$651
2025-11-03	OPEN	CONFLUENCE	\$896.53	OPEN	+12.1%	+\$867

## IMPORTANT DISCLAIMER

**Disclaimer:** This report is for informational and educational purposes only and does not constitute investment advice. Ultra Stock Analysis Pro is not a registered investment advisor; information is impersonal and not tailored to individual circumstances. AI-generated content may contain errors — verify before acting. Past performance is not indicative of future results. Technical analysis based on historical data through 2026-05-15. Fundamental data auto-fetched from Yahoo Finance. Please conduct your own due diligence before making investment decisions.

**Next Earnings:** Aug 05, 2026

**Report Generated:** May 16, 2026 at 12:17 PM