

Novo Nordisk A/S (NVO)

First-Mover Edge in Oral Weight-Loss Therapy



Tradingview

Technical Outlook

After a period of decline, **price has stood above the MA200 with other MA lines trending up**, indicating bullish trend reversal could be emerging. Price is expected to test the next resistance at USD72.0, followed by USD81.30, while the current support zone of USD57.5-58.9 could serve as a decent entry zone.

Trading Catalysts

- **First-mover advantage through Wegovy weight loss pill.** NVO's newly launched oral Wegovy is currently the only FDA-approved GLP-1 pill for weight loss, giving the group a meaningful early-mover edge before Lilly's competing pill potentially launch in April. The pill format expands the addressable market beyond injections, supporting faster adoption in the market and incremental volume growth for NVO.
- **Vertical integration through site acquisitions.** NVO's recent takeover of major finish sites in Bloomington (US), Brussels (Belgium), and Anagni (Italy) shifts production from high-cost 3rd party contractors to a more efficient in-house model. By reducing reliance on middlemen for the critical "bottling and pen assembly" stage, NVO can eliminate supply bottlenecks and recapture significant manufacturing margins.
- **Solid fundamentals with undemanding valuations.** NVO delivered TTM GP and NP margins of 83.4% and 32.9% respectively, with ROE and ROIC of 71.5% and 42.8%. However, share price is currently trading at a P/E ratio of 15.9x compared to the 5-year average of 29.9x; coupled with a PEG ratio of 0.8x, NVO appears undervalued relative to its peer.

Peer Comparison

Company Name	Ticker	Price (USD)	Market Cap (USD'bn)	P/E (x)	Forward P/E (x)	ROE (%)	NP Margin (%)	RSI	ST Trend
NOVO-NORDISK-ADR	NVO	59.3	264.9	15.9	17.0	71.5	34.8	Positive bias	Up
ELI LILLY & CO	LLY	1024.1	968.2	43.1	32.8	96.8	23.5	Negative bias	Down
PFIZER INC	PFE	26.1	148.4	9.7	9.0	10.6	12.6	Positive bias	Up
MERCK & CO	MRK	108.3	268.9	13.4	20.7	39.5	26.7	Positive bias	Down
Avg ex-NOVO-NORDISK-ADR			461.8	22.0	20.8	49.0	20.9		

Source: Bloomberg, M+ Research

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Novo Nordisk A/S

Company profile

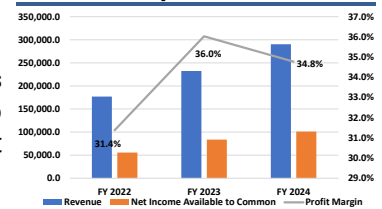
Novo Nordisk A/S (NVO) is a global pharmaceutical leader specializing in diabetes care and obesity treatment, with operations in over 170 countries worldwide.

Technical Data

Price	59.33
R1	72.00
R2	81.30
S1	58.86
S2	57.48

M+ Research, Bloomberg

Financial Snapshot



M+ Research, Bloomberg



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(a) nil.

