



AMERICAN SUPERCONDUCTOR IS A HOUSE OF CARDS SET TO BLOW OVER BY A GUST OF WIND – \$7 PRICE TARGET

March 25, 2019



RESEARCH SUMMARY

American Superconductor stock has risen over 100% since July 2018 on little progress in its businesses. We expect a fade back to \$7 or less.

The company has had significant losses for the past 19 out of 20 years with its grid and wind businesses, a pattern we foresee continuing for many years to come.

Most of AMSC's rally has come from puffy PRs and hype regarding its resilient electric grid and ship protection services government businesses.

We believe both of these businesses, which are in the trial stage, are impractical, and we don't believe the government will spend a significant amount of funds on them.

There has never been a cyber or terrorist attack on an electric grid in the US. Ocean mines have not been an issue since WWII.

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