

TOP STOCKS 2019



10TH EDITION

Shift Gears When the Market Turns

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"You will always get better as long as you are willing to do a post-evaluation on your decisions to learn from your mistakes."

— William J. O'Neil

Ten years ago, MarketSmith published our first Top Stocks book as a resource to inspire your post-analysis and help you learn from the top-performing stocks of the past year. This year's edition features 70 of the year's best stocks illustrated with charts and articles, a Year-In-Review highlighting key news events and an infographic outlining the essential steps of good post-analysis.

This past year ended as it began: with a strong uptrend. The 3 main indexes finished near record highs across the board. The Nasdaq gained 35.2%, the S&P 500 climbed 28.9% and DJIA rose 22.3%. It's what happened in between that tested investors. This year especially, knowing when to shift the gears of your trading strategy was crucial to growing your profits.

A booming economy and continued shifts in monetary policy helped spark big gains in the early part of the year. While consolidation was expected after such a strong move, the mid-year shift became more turbulent than investors anticipated. With the added uncertainty of a U.S.-China trade war, leading sectors like software and semiconductors fell out of favor as defensive plays showed a resurgence. The market shifted yet again in Q4 and growth was back in fashion, powering the indexes into new high ground.

Software, retail, semiconductor and biotech stocks emerged as big winners in 2019. New technological advancements like 5G, cloud computing and AI drove many of 2019's top-performing stocks. It's

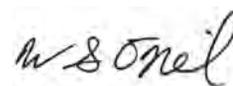
a powerful reminder: the companies that change the way we live, work and play often produce game-changing stocks.

There are many lessons to be learned from the top stocks of 2019. First and foremost, if the market shifts, shift with it. You can be right about a stock in the long run but still lose money in the short term. Be prepared to take profits if a trade isn't working or if the market changes direction; that same stock will still be there when a new uptrend begins.

Another important reminder: ignore the media pundits and the sensational headlines. If you went to cash because of endless reports of the yield curve inversion and all the opinions about a looming recession, then you missed out on one of the best overall markets in years. Ignore the prognosticators, follow your rules, watch the market and respond accordingly.

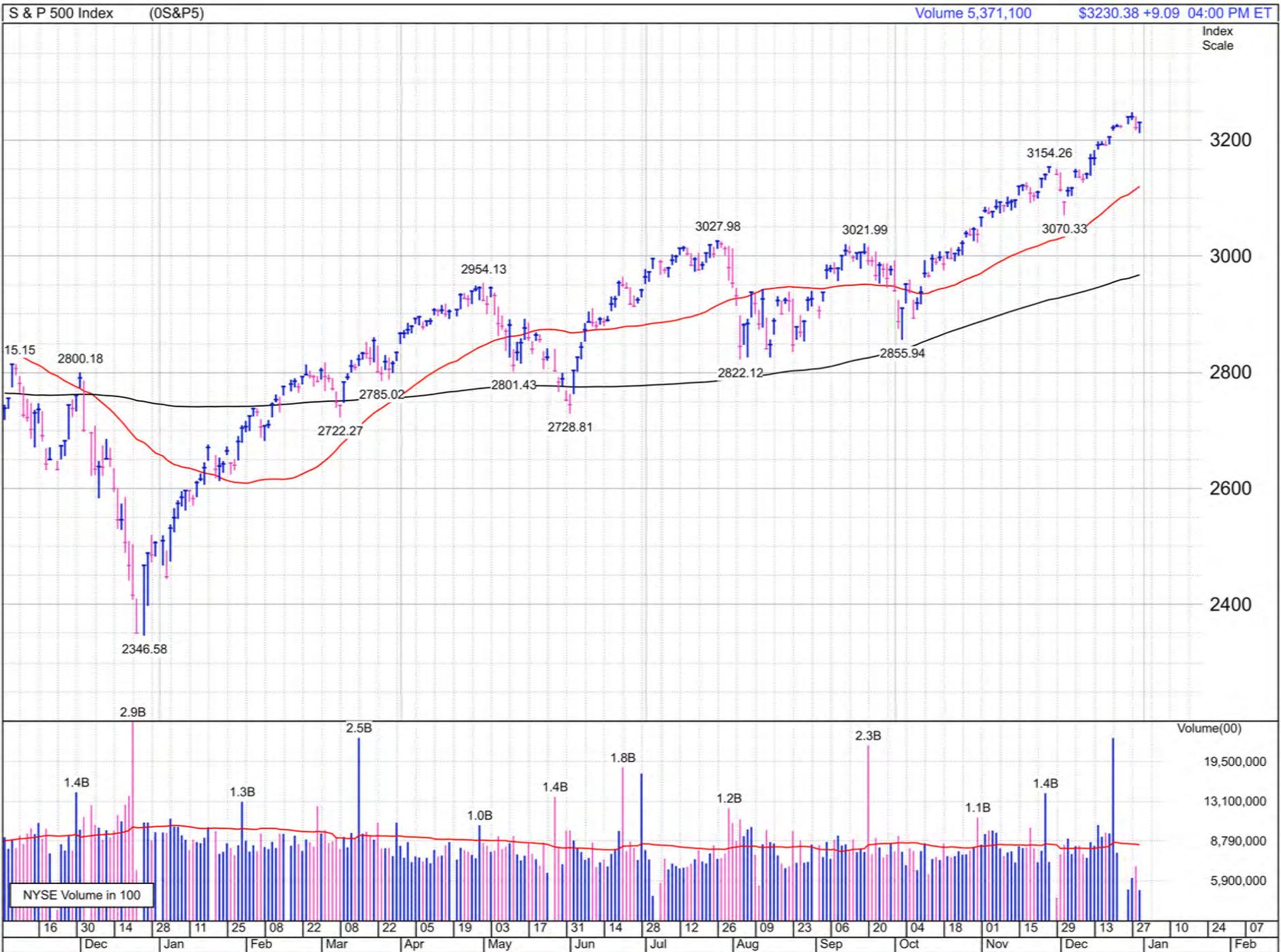
A new year is the perfect time to refine your process and sharpen your investing skills. Here's to a strong and prosperous 2020!

Best Returns,

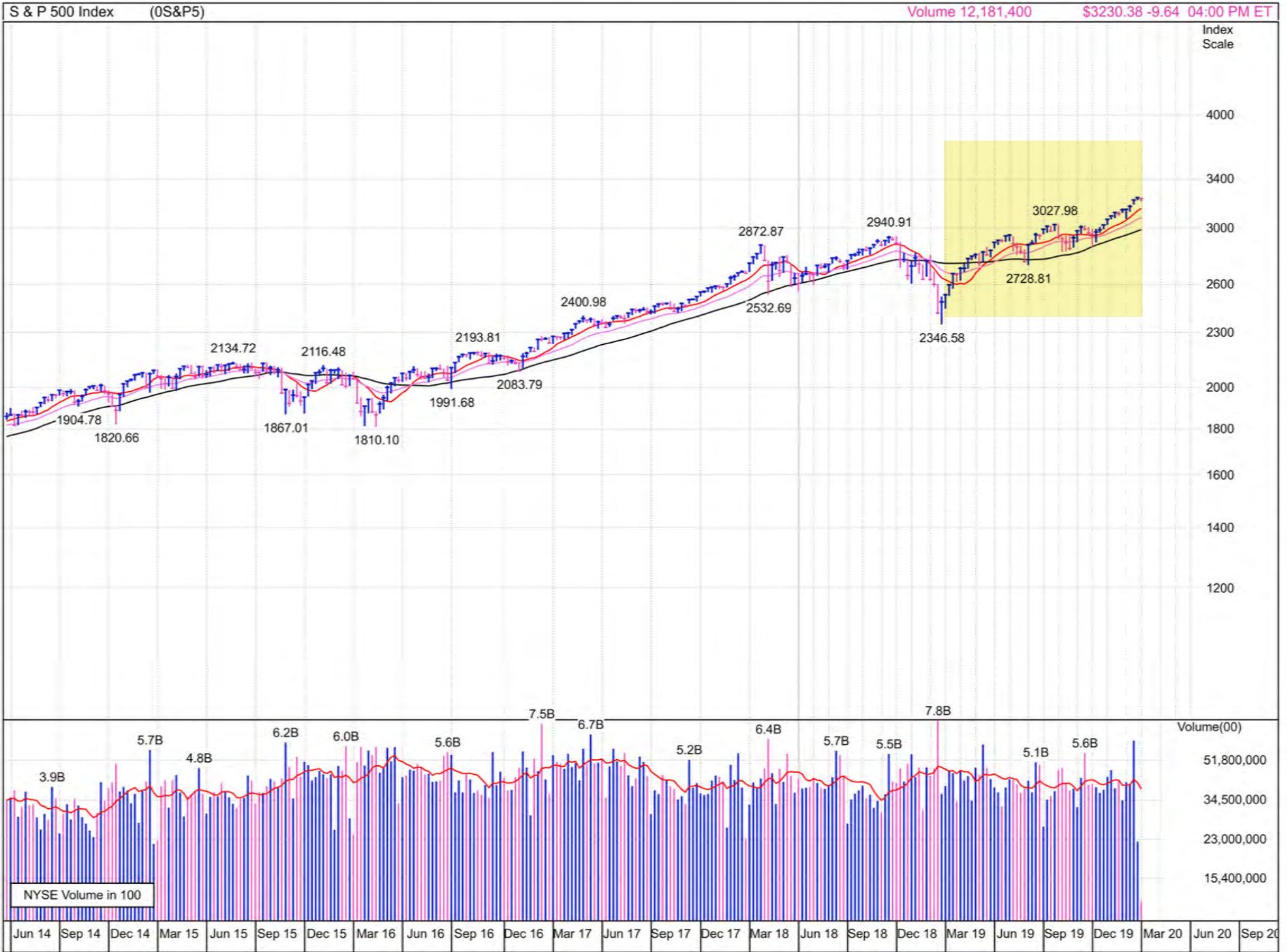


W. Scott O'Neil
President, MarketSmith, Incorporated

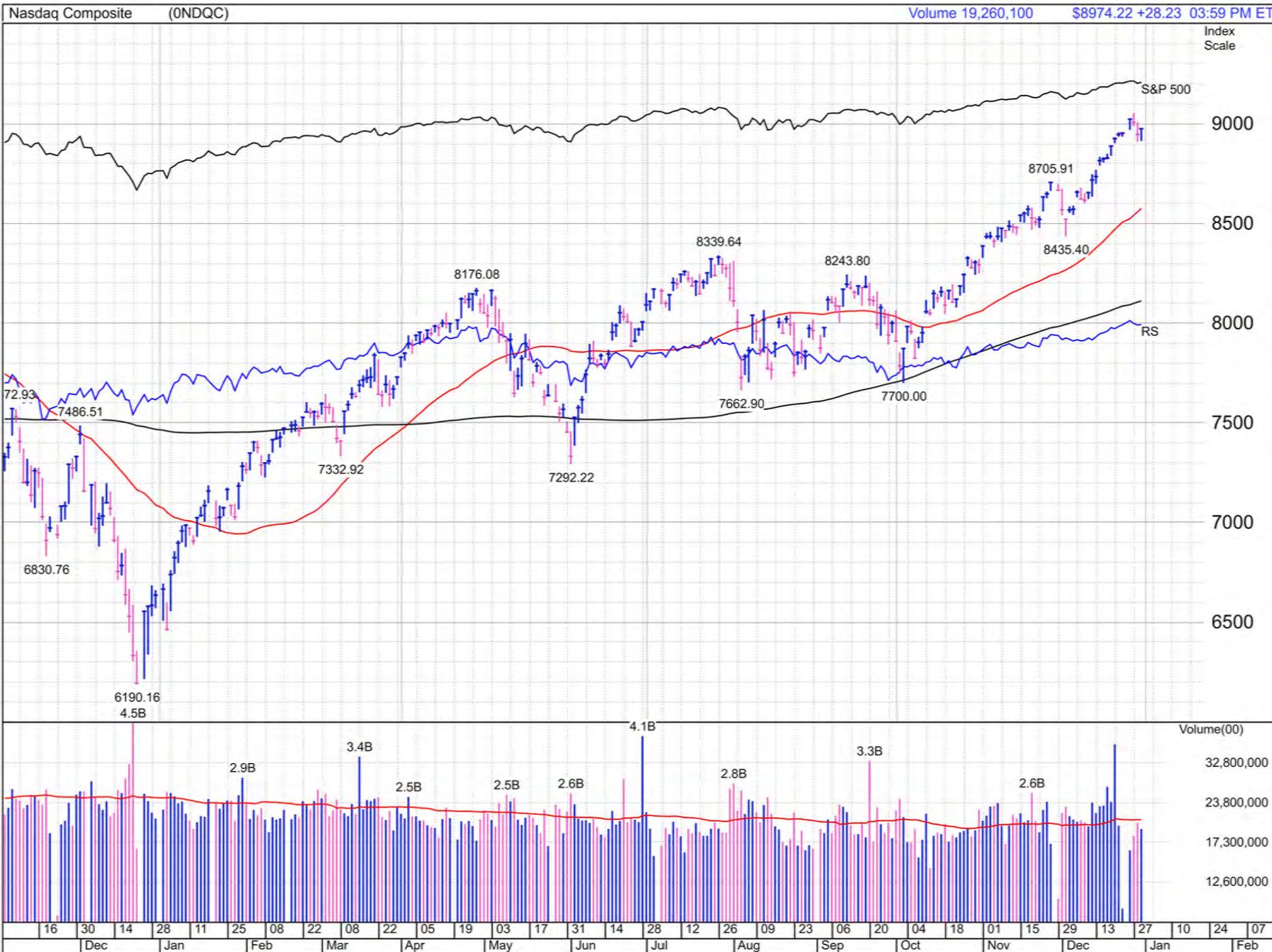
S&P 500 Index-Daily



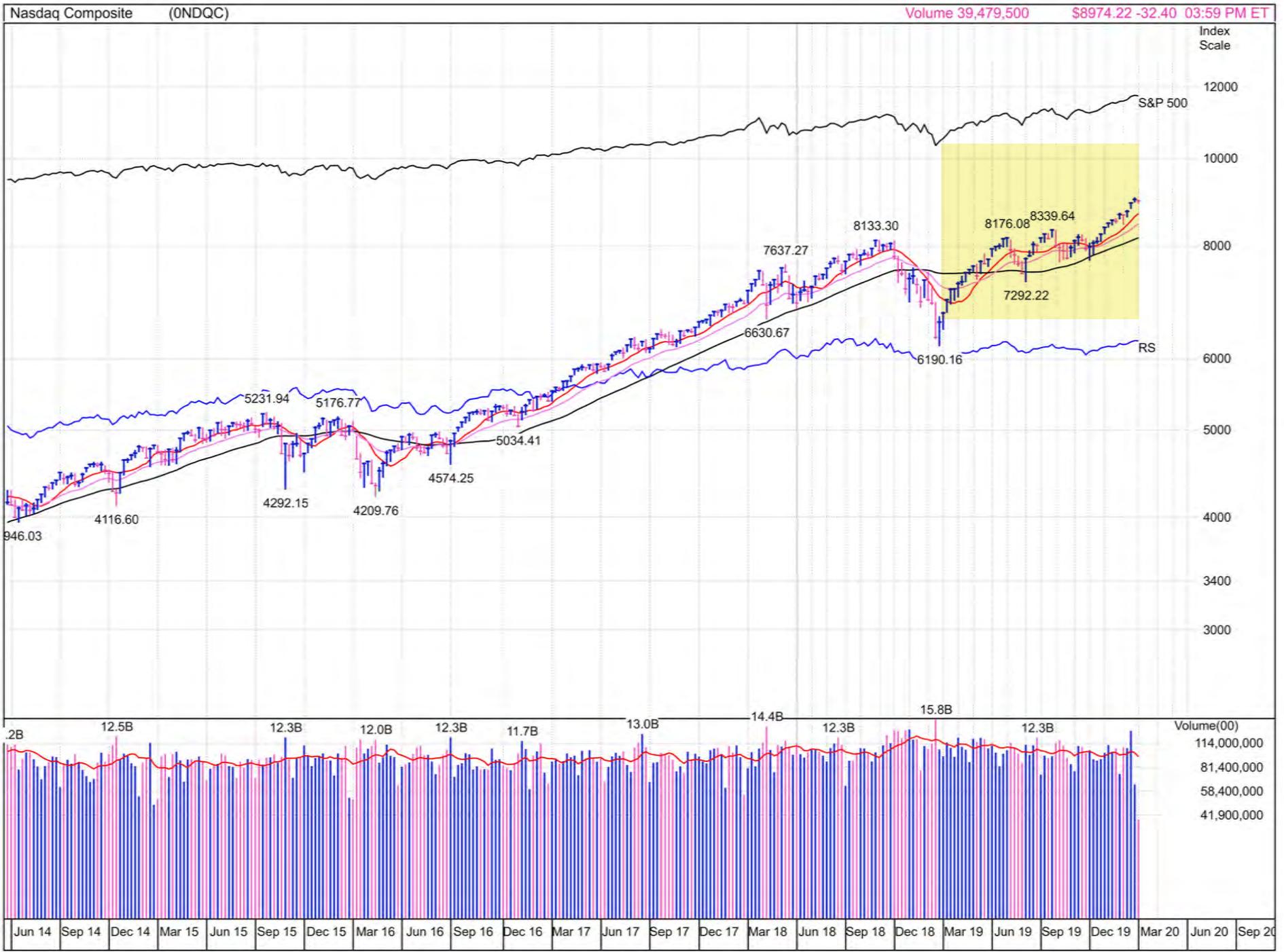
S&P 500 Index-Weekly



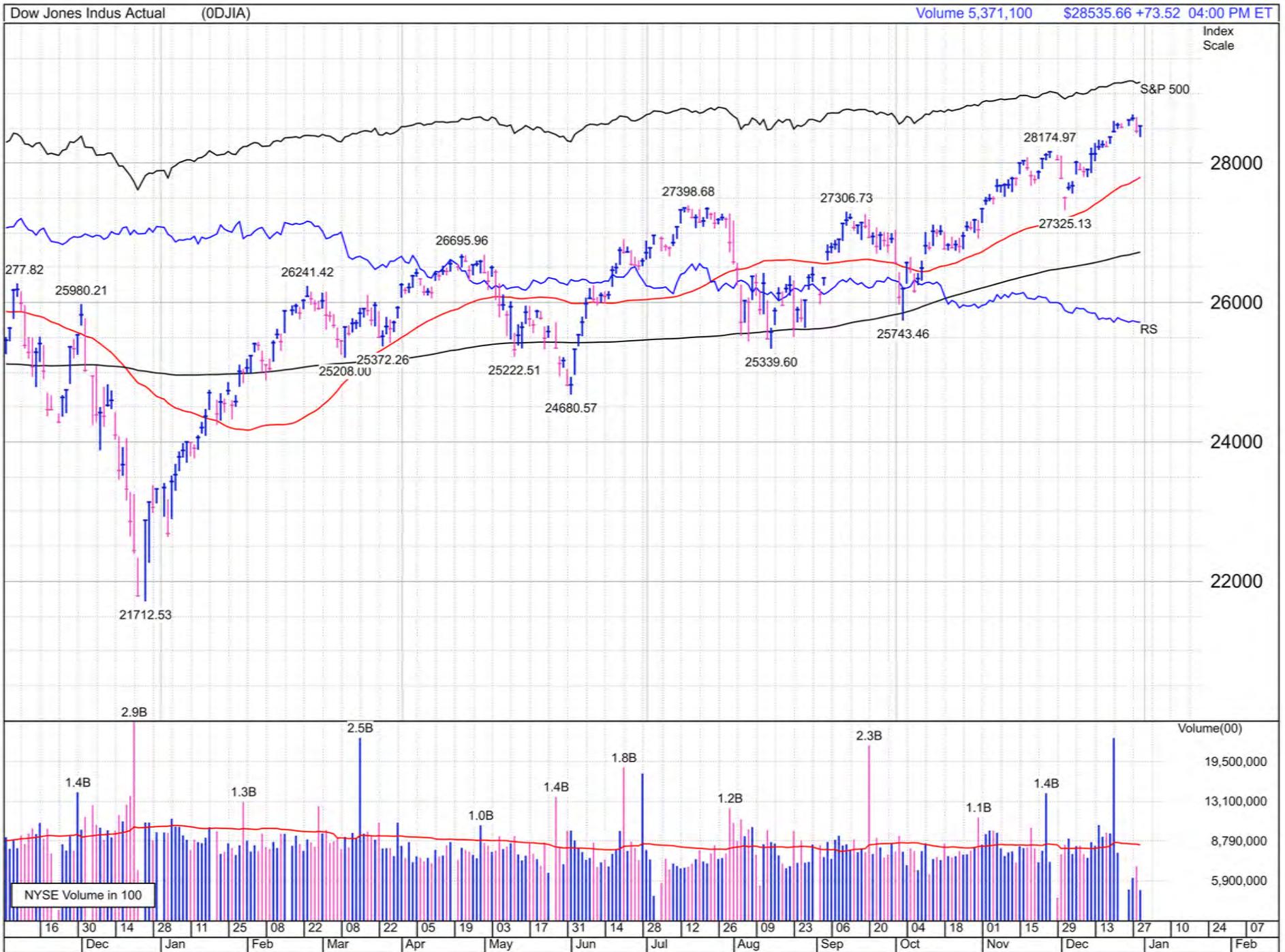
Nasdaq Composite-Daily



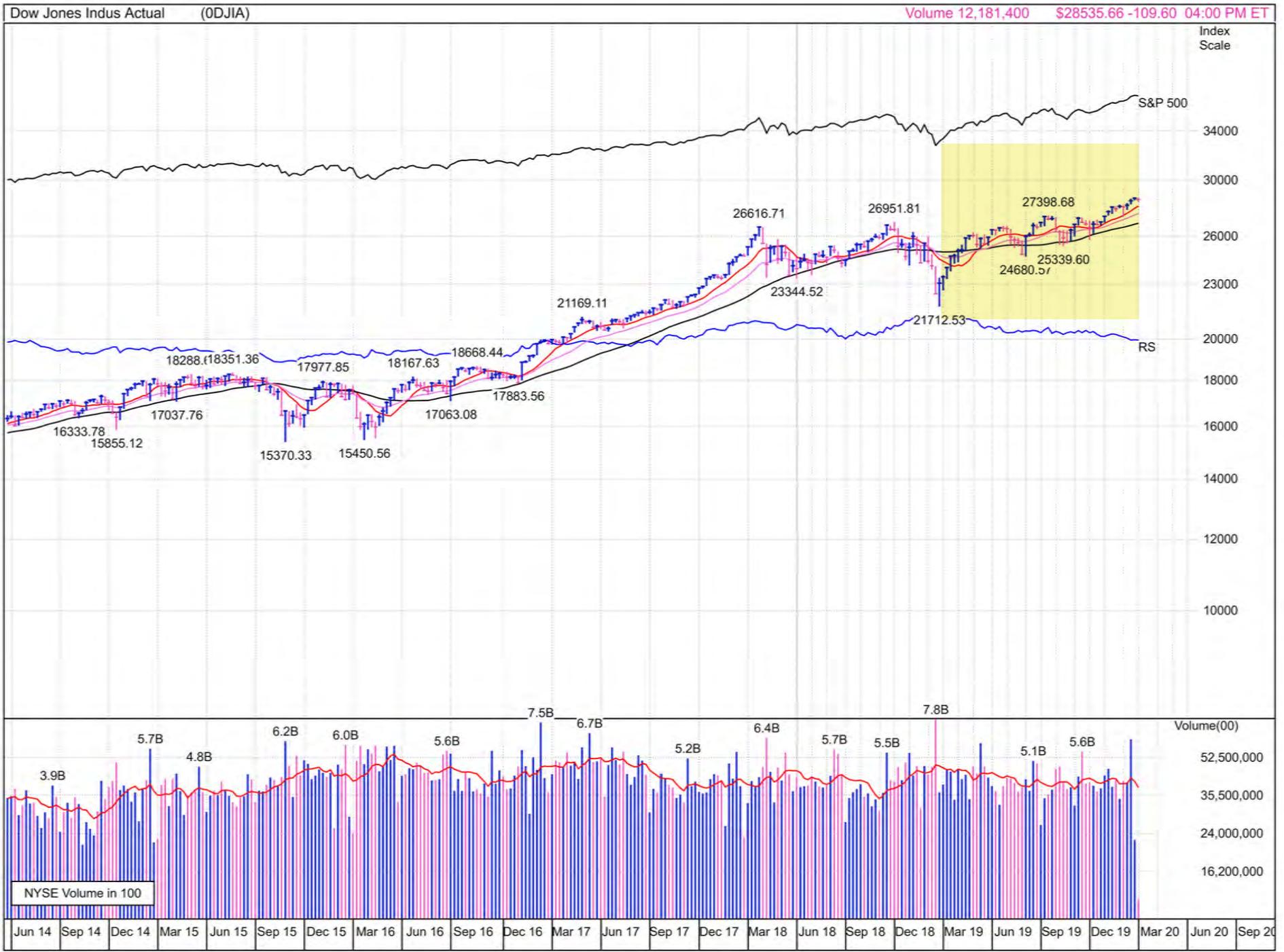
Nasdaq Composite-Weekly



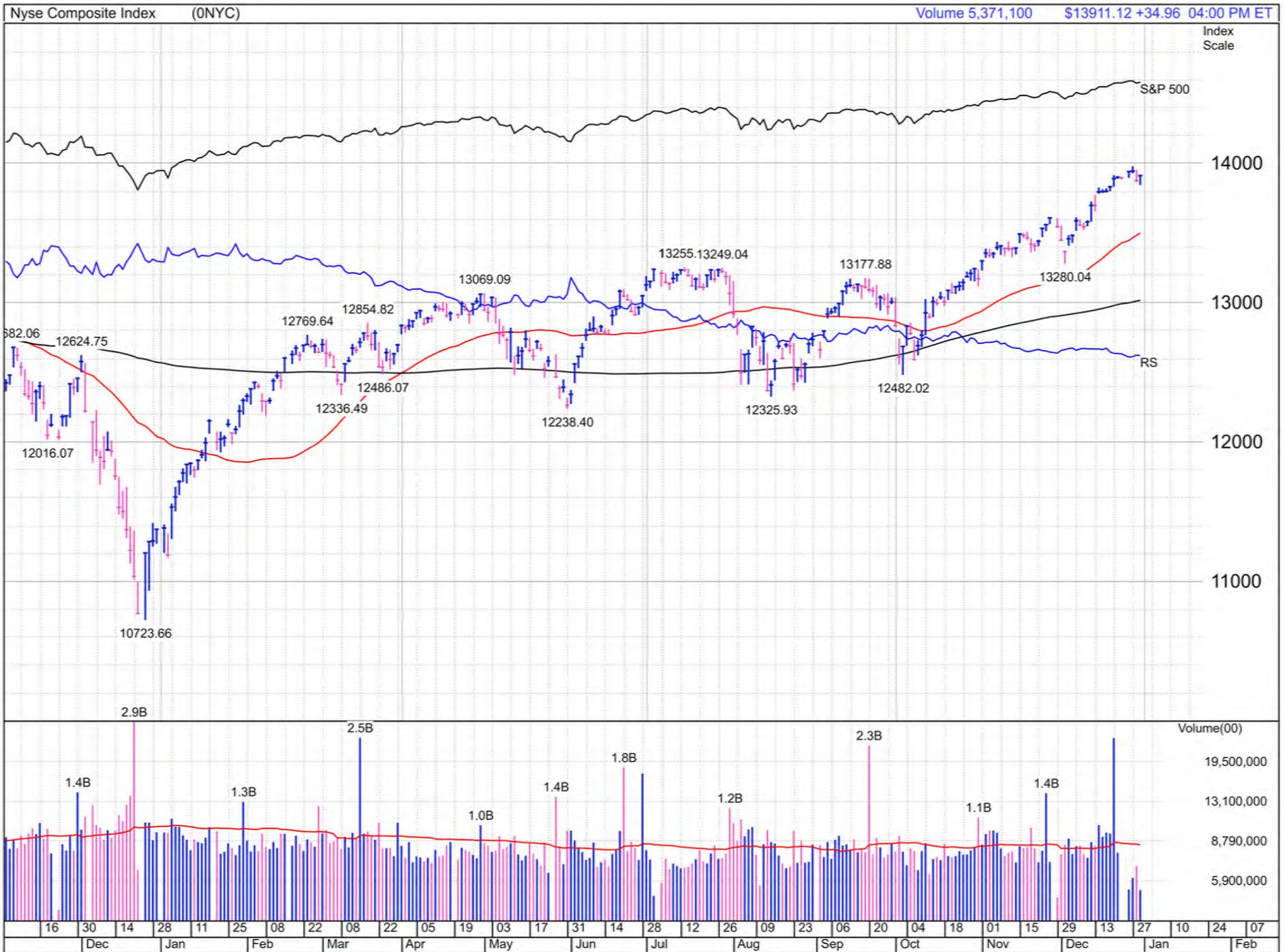
Dow Jones Industrial Average-Daily



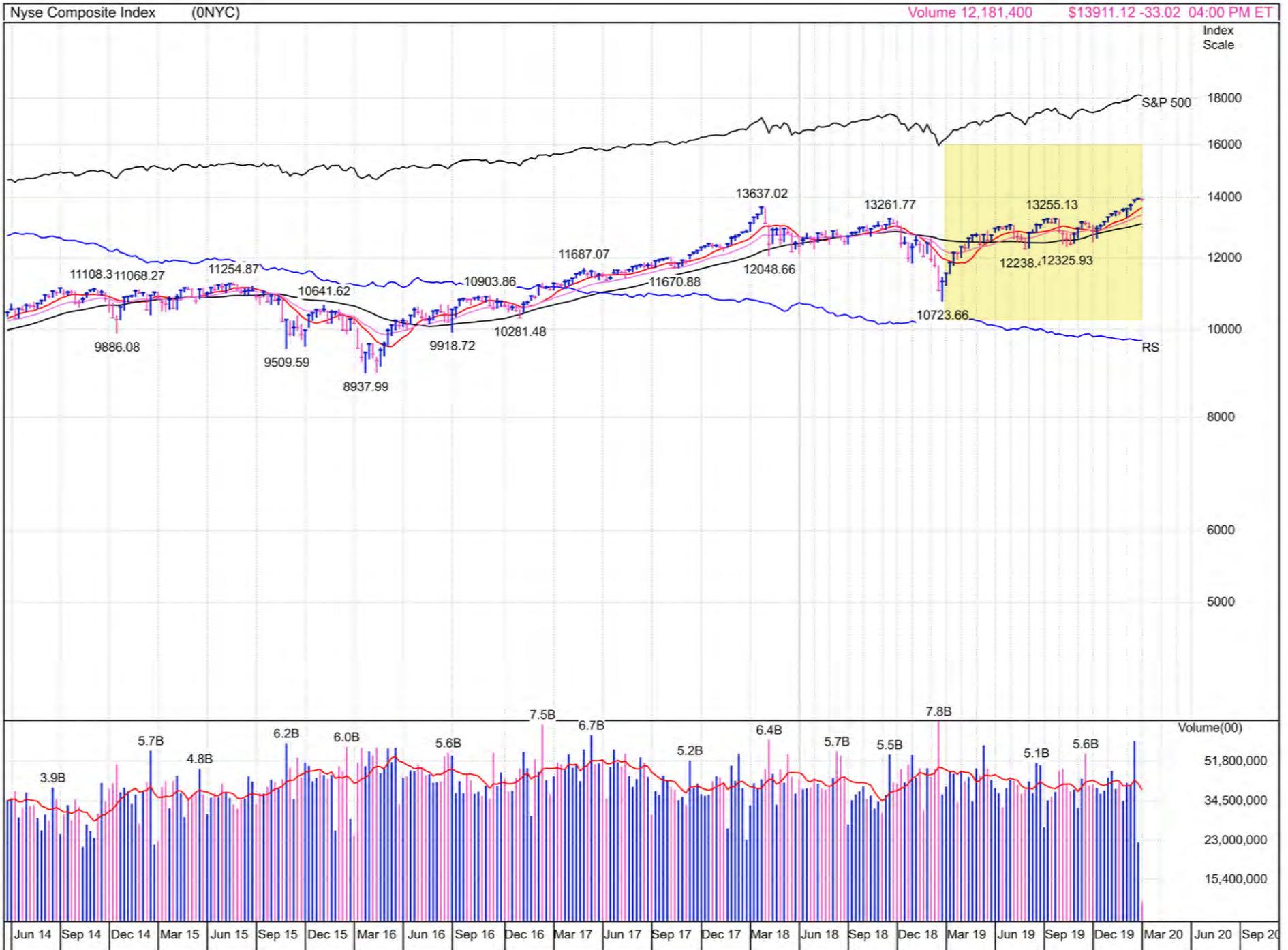
Dow Jones Industrial Average-Weekly



NYSE Composite-Daily



NYSE Composite-Weekly



2019: One Of The Best Years Of The Decade

A strong economy, interest-rate cuts helped the stock market overcome tariffs and other bumps. The year started with the bottom of a sharp correction.

40%

30%

20%

10%

0%

January

January 2

Apple sharply cuts its sales forecast for the December-ended quarter to \$84 billion from a prior guidance of \$89 bil to \$93 bil. CEO Tim Cook blames disappointing iPhone sales, especially in China.

January 3

Bristol-Myers Squibb makes a \$74 billion offer to acquire Celgene. The deal creates a leading provider of cancer treatments.

January 4

Fed Chairman Powell says the Fed will be responsive to market moves that are giving mixed signals, suggesting it may pause rate hikes.

Employers add 312,000 jobs in December, well above views and the best increase in 10 months. Wages rise 3.2%.

January 29

PG&E, the largest utility in California, files for bankruptcy protection. The company faces billions in liabilities from wildfire losses.

January 30

Fed says it will be "patient" with further tightening, suggesting future rate hikes are on hold. Powell says the Fed will keep a larger balance sheet than initially thought as it keeps curtailing quantitative easing.



February

February 14

Amazon.com cancels plans to build a headquarters in New York City, citing political opposition to the project. Amazon says it will proceed with HQ projects in Virginia and Tennessee.

February 22

Kraft Heinz shares plunge 27.5% after the company writes down the value of some of its top brands by \$15.4 billion. An SEC subpoena and weak Q4 results add to the company's woes, as Kraft faces changing consumer tastes.

February 23

Danaher announces it will acquire the biopharmaceuticals business of General Electric in a deal valued at \$21.4 billion. The sale is part of GE's strategy to shed biopharma assets.

February 24

President Trump delays a March 1 deadline to impose new tariffs on Chinese imports, citing progress in trade talks.



March

March 8

U.S. payrolls grow by 20,000 in February, far below expectations of 175,000. The report fuels worries of a global economic slowdown.

March 10

Ethiopian Airlines 737 Max 8 crashes mysteriously after takeoff, the second crash of that Boeing model in less than five months. Boeing shares plunge afterward as eventually the entire fleet of Max-series planes is grounded. The company also faces possible order cancellations.

March 18

Fidelity National Information Services agrees to buy Worldpay for \$35 billion in cash and stock, part of a wave of consolidation in the payment processing industry.

March 20

Fed signals it will not raise interest rates in 2019 and sees just one rate hike in 2020. It also sets a September end to the shrinking of its balance sheet, the legacy of its quantitative easing program.

March 22

Yields on the 3-month Treasury bill rise above the 10-year Treasury yield, an inversion that had not happened since 2007 and raises worries of a recession.

March 29

Lyft goes public at 72 a share, giving the rideshare company a valuation of about \$22 billion. Shares close at 78.29, well off an 88.60 session peak, and continue to slide in the months that follow.

April

April 5

U.S. employers add 196,000 jobs in March, beating forecasts and alleviating worries of a slowdown. Wages rise 3.2%.

April 11

Disney unveils Disney+, its new streaming service with a vast content library, and a monthly fee of \$6.99, well below Netflix. Disney stock soars 11.5% the next day.

April 24

The Nasdaq hits all-time high after the composite and the S&P 500 reach new closing highs in the prior session.

April 25

Microsoft's market value tops \$1 trillion, the highest in the market, after shares jump to record high on strong earnings and guidance.

April 26

First-quarter GDP climbs 3.2% as gains in inventories and trade offset soft consumer spending, easily beating views.



May

May 1

Powell signals that policymakers expect core inflation to rise back to 2% without an interest-rate cut. Stocks drop as hopes fade for a rate cut in 2019.

May 3

Unemployment rate falls to a 50-year low of 3.6% as U.S. payrolls swell by 263,000 — well above forecasts.



May 6

Trump threatens to escalate tariffs after China backs away from key promises in trade talks. Higher tariffs go into effect May 10; China retaliates with duties on \$60 billion worth of U.S. goods.

May 10

Uber goes public at 45 a share but starts trading below that price. The IPO raises \$8.1 billion and values the company at \$82.3 billion. Shares sink to 25.58 in November.

May 28

Global Payments and Total System Services agree to merge in a deal valued at \$21.5 billion. The combination creates a stronger competitor in the merchant acquirer market.

June

June 3

Alphabet, Amazon.com, Facebook and other major technology stocks sell off on worries that U.S. authorities are considering antitrust and other regulatory moves against the big tech companies.

June 4

Powell suggests a summer rate cut as the U.S. faces a trade standoff with China. Powell says the Fed "will act as appropriate to sustain the expansion."

June 7

Job growth slows to 75,000 in May, well below estimates. The slowdown raises odds for an interest-rate cut, sending stocks sharply higher.

June 8

U.S. halts plans for tariffs on Mexican imports after that country agrees to take steps to slow the flow of illegal immigrants.

June 9

Raytheon and United Technologies agree to merge in a deal that creates the No. 2 aerospace company, with annual sales of about \$77 billion. President Trump expresses misgivings.

June 18

Fed leaves rates alone, but moves from "patient" stance to cut rates and says it "will act appropriately to sustain the expansion." Odds rise for 2-3 rate cuts by year-end.

June 25

AbbVie agrees to buy Allergan, the maker of Botox, in a \$63 billion cash and stock deal.

40%

July

July 1
Stocks rally but pare gains after the U.S. and China restart trade talks without the threat of new tariffs. Trump says restrictions on sales to Huawei will be eased.

July 10
Powell's testimony to House panel reassures investors that an interest-rate cut is set for July. He cites concerns about trade and the global economy. The S&P 500 tops 3,000 for the first time.

July 11
Trump administration drops plan to cut Medicare prescription-drug rebates. The proposal was a key component of Trump's plan to reduce drug costs.

July 12
FTC approves \$5 billion settlement with Facebook over the company's privacy violations, Dow Jones reports. The fine is confirmed July 24.



July 25
The Justice Dept. approves the merger of Sprint and T-Mobile U.S. after the two companies agree to divest some assets to Dish Network. Dish gets 9 million Sprint prepaid cell customers.

July 31
Federal Reserve cuts fed funds rate for the first time since 2008, making a quarter-point cut. It also ends its balance sheet reduction two months early.

August

August 1
President Trump says the U.S. will impose a 10% tariff on \$300 billion in Chinese imports that were not already under tariffs after a round of trade meetings concludes.

August 5
China lets its currency fall below the key level of 7.0 to the dollar, calling it a step to protect against U.S. tariffs. China also halts purchase of U.S. farm products. Global markets plunge.

August 13
Trump delays tariffs on a number of Chinese electronics and other imports, citing concerns about the holiday shopping season. Stocks surge.

Viacom and CBS agree to merge, creating a giant with \$28 billion in annual revenue. Both are controlled by Sumner Redstone's holding firm.

August 14
Yield on the 2-year climbs above the 10-year Treasury yield for the first time since 2007. The yield curve inversion sparks renewed worries of a recession.

August 23
China retaliates vs. new U.S. tariffs, spurring Trump to impose further punitive action. Powell signals another rate cut, but stocks plunge.

August 26
Oklahoma judge orders Johnson & Johnson to pay \$572 million after ruling that its marketing contributed to the opioid crisis.

September

September 9
Dramatic 2-day sell-off in growth stocks amid flat market.

September 10
Apple introduces video streaming service priced at a lower-than-expected \$4.99 a month, intensifying competition. Apple also announces a mobile gaming platform.

September 16
Oil prices soar 15% to nearly \$60 a barrel after a major Saudi Aramco facility is attacked by drones. A day later, the Saudi energy minister says output will be back to normal by month's end.

September 18
Fed cuts interest rates by a quarter point in a 7-3 vote that shows a Federal Reserve divided on future rate policy.

September 25
Stocks fall after threat of impeachment against Trump grows with accusation that he pressured Ukraine to investigate Joe Biden. Late in the day, House Speaker Nancy Pelosi launches a formal impeachment hearing.



September 27
Chinese and other stocks tumble after reports that White House is considering delisting Chinese stocks from U.S. exchanges and placing limits on investors' portfolio flows into China. Officials later deny such plans.

October

October 1
Stocks sell off after PMI manufacturing index shows another month of contraction in September.

Brokerage stocks tumble after Charles Schwab says it will eliminate commissions on all stock and ETF trades. TD Ameritrade also says it will charge no commissions.



October 8
Powell says the Fed will start expanding its balance sheet in response to a surprise crunch in overnight lending markets.

October 11
Stocks rally more than 1% as Trump announces a possible "phase one" deal with China on trade and related issues.

October 16
Drug distributors McKesson, AmerisourceBergen and Cardinal Health reportedly are near an \$18 billion deal to settle claims of spawning the nation's opioid epidemic.

October 30
The Fed, as expected, cuts fed funds rate by a quarter point. Powell suggests no more cuts are in store, saying only a "material reassessment" of the economic outlook would trigger another rate cut.

November

November 3
Saudi government sets initial public offering for Aramco. Citigroup, Goldman Sachs and JPMorgan are among the many banks handling the IPO. The largest-ever IPO prices in December valuing Aramco at \$1.7 trillion.

November 4
McDonald's shares fall to seven-month low after the company fires CEO Steve Easterbrook for a relationship with an employee that violated company policy. Chris Kempczinski, president of the U.S. business, is promoted to CEO.

November 12
Disney+ launches, with Disney announcing huge demand a day later, sending shares to record highs. Apple+ launched Nov. 1.



November 20
Reuters reports that a "phase one" China trade deal is unlikely to be signed by year-end. China won't commit to specific agricultural purchases, and it pushes back on congressional rebuke of Hong Kong human rights abuses. Trump threatens to hike tariffs. But a week later, the two sides take a conciliatory tone.

November 25
Charles Schwab confirms it will acquire rival TD Ameritrade in an all-stock deal valued at \$26 billion, creating a giant in wealth management. But antitrust concerns are expected.

December

December 2
ISM manufacturing index falls to 48.1, below views, signaling further contraction. Commerce Secretary Ross says new tariffs will go into effect Dec. 15 if there's no "phase one" China trade deal.

December 3
The U.S. threatens heavy retaliatory tariffs after France imposes a digital tax on U.S. tech giants.

Alphabet says Larry Page will step down as CEO and will be replaced by Sundar Pichai, CEO of the Google business.

December 6
Payrolls surge 266,000 in November as hourly wages grow 3.1%, both above views. The jobless rate falls to match a 50-year-low of 3.5%.

OPEC+ agrees to steeper production cuts, to an additional 500,000 barrels per day during Q1.

December 13
U.S. and Chinese negotiators reach a phase-one trade deal that is limited in scope but removes threat of new tariffs.

December 16
Boeing will halt production of 737 Max in January after further delays in getting the plane back in service.

December 23
Boeing CEO Dennis Muilenburg is ousted. Chairman David Calhoun is named new CEO.

Nasdaq: 35.5%

S&P 500: 29.9%

20%

10%

0%

Post-Analysis: Improve with Every Trade

Think about your biggest winning trade of 2019. Ask yourself, “Why did this stock perform as well as it did? And could I have added to my position for bigger gains?”

Now focus on your worst trade of the year. Ask a similar question: “Where did this trade go against me? Did I buy a weak stock, or just mishandle a good stock?”

That’s the essence of post-analysis: examining all your trades with the benefit of hindsight and using that knowledge to refine your process. Every investor is going to experience winning and losing trades; the key is learning from each one and improving your skills as you go. After all, if you’re not learning from your experiences, you’re bound to repeat your mistakes.

Post-Analysis the O’Neil Way

Legendary investor (and founder of Investor’s Business Daily) William O’Neil was known for his extensive post-analysis of his trades. His marked up charts (like the one for his AAPL trade pictured here) were famous around IBD for their... comprehensiveness.

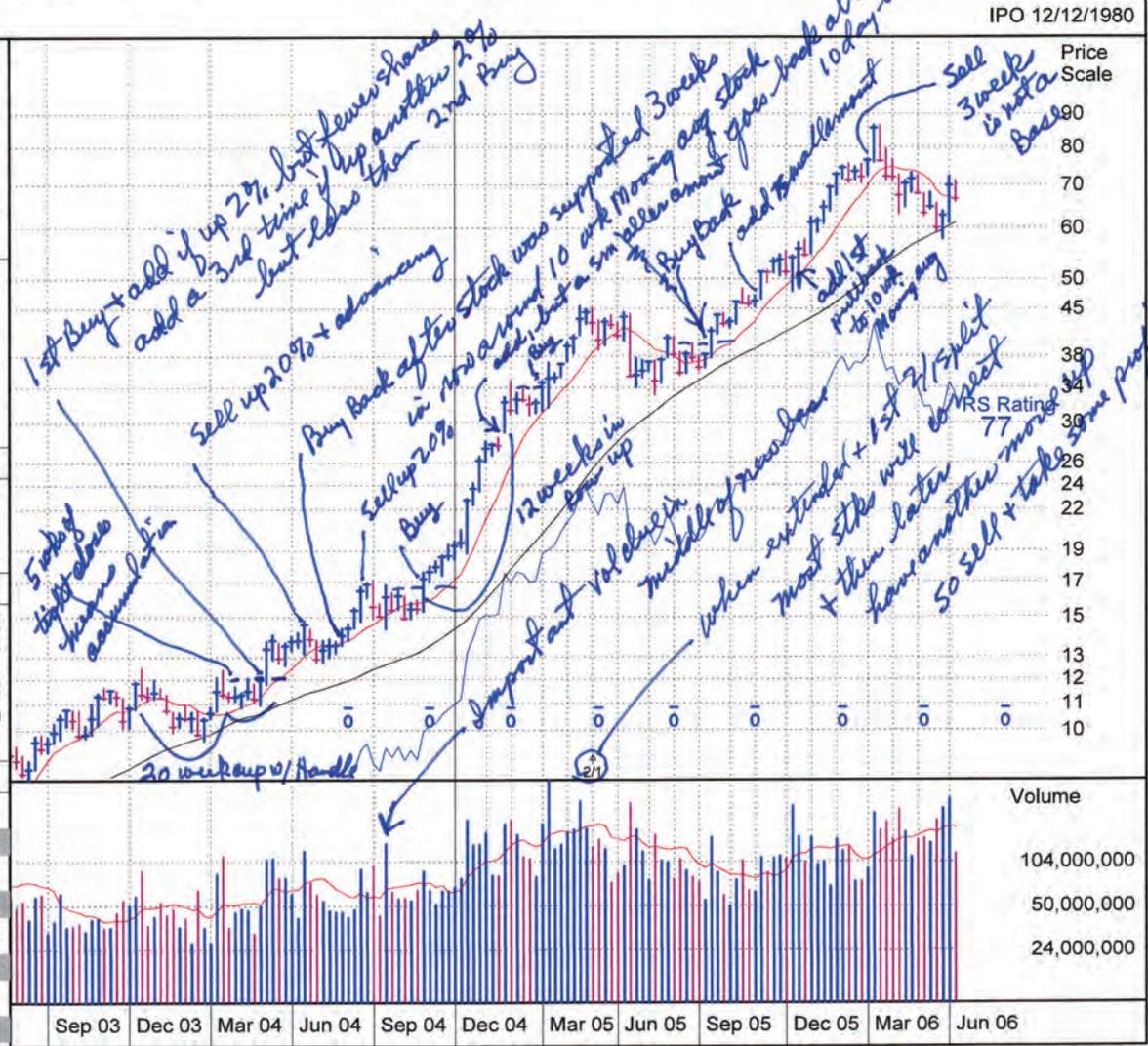
O’Neil wrote a lot of notes to himself about potential ways of handling a big leader and cues that he wanted to remember in case he ran across similar action in the future. He used many of his post-analysis notes and insights as the basis for what would become the CAN SLIM Investing System.

Apple Inc

Apple Computer Inc (AAPL) NMS Computer-manufacturers
 Market Capitalization \$56.61 Billion
 Volume 118,236,000 \$66.47 -3.32
 50-Day Avg Volume 37,825,600
 Option On CB/AM/PA/PH
 Shares in Float 834.6 Million
 Off 52-Week High -23.1%
 Short Interest 0.6 days + 17%
 Shares Outstanding 851.7 Million
 52-Week Hi-Lo \$86.40-\$33.11
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 DEVELOPS DESKTOP/LAPTOP COMPUTERS, PERIPHERALS, NETWORK DEVICES, SOFTWARE AND THE IPOD DIGITAL MUSIC PLAYER.
 04/06/06 Introduced new software that runs on Microsoft's Windows operating system.

Year	EPS	Price (\$)	EPS Rating	98
(Sep)	(\$)	High Low	Group RS Rating	95
1999	0.60	29 8	SMR Rating	A
2000	0.84	37 6	Acc/Dis Rating	B
2001	-0.09	13 7	Composite Rating	96
2002	0.16	13 6	Timeliness Rating	B
2003	0.10	12 6	Sponsorship Rating	C
2004	0.41	34 10	EPS Growth Rate	78%
2005	1.48	75 31	Earnings Stability	89
2006	2.10	est. 42% ▼	P/E Ratio	37 (2.3 X SP)
2007	2.62	est. 25% ▲	5-Year P/E Range	23-123
Yield	NONE		Return on Equity	20%
ExDiv	11/21/95		Cash Flow	\$1.74
Book Value	X7.58		Debt	0%
Inventory T/O	104.74X		R & D	3.8%
U/D Vol Ratio	0.7		Alpha	0.18
New CEO	N/A		Beta	2.00
Ownership			Mgmt	2%
Banks			Banks	10%
Funds			Funds	21%

Quarterly	EPS(\$)	% Chg	Sales(\$Mil)	% Chg
Mar-04	0.08	+300%	1909.0	+29%
Jun-04	0.10	+233%	2014.0	+30%
Sep-04	0.15	+275%	2350.0	+37%
Dec-04	0.36	+300%	3490.0	+74%
Mar-05	0.35	+338%	3243.0	+70%
Jun-05	0.38	+280%	3520.0	+75%
Sep-05	0.39	+160%	3678.0	+57%
Dec-05	0.68	+89%	5749.0	+65%



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4/13/2006

Pictured: William O'Neil's post-analysis of his Apple (AAPL) trade from 2004. Notice how he marked all his buy and sell points, in addition to base patterns, volume clues and other reasons for his trading.

POST-ANALYSIS

THE ROAD TO BETTER TRADING

The goal of post-analysis is to see the road ahead and map out the most successful path forward to bigger profits. You want to know when to **put the brakes on moves that hold you back** and **focus on what you're doing right**—then put the pedal to the metal and finish strong.

Remember, the real battle isn't you against the market. It's you against yourself. Give yourself a tune-up. Keep yourself on track and don't let outside influences spin you out.

WHY CONDUCT POST-ANALYSIS?

- **Hindsight is 20/20:** You can see where the optimal buy and sell points were and compare them to yours
- **Develop Patience:** You can see if you're too quick to hit the brakes, selling your winners when you should hold them longer
- **Better Stop-Losses:** Did you spin out because you were too slow to sell your losers and need to tighten your stops?
- **Remove Emotions:** It's easier to remain objective when you're analyzing decisions outside of the trading day
- **Most importantly:** You can see if your **trading rules are working** and adjust them to turbocharge your returns!

BAD STOCKS

- Low price
- Low or negative quarterly EPS growth
- Low or negative annual EPS growth
- Stagnant business
- Not a leader in a lagging industry group
- Low or decreasing fund ownership
- Daily volume less than 400,000
- Bought during market correction

WRONG BUY

RIGHT BUY

LOOK FOR YOUR PATTERNS.

Print out weekly and daily charts of your trades and look for patterns in your trading. Here's a quick way to calculate your profit or loss on any trade:

$$\frac{(\text{SELL POINT} - \text{BUY POINT})}{\text{BUY POINT}} \times 100 = \% \text{ PROFIT ON A TRADE}$$

What did your winners have in common?

Check out the price, volume, fundamental and technical patterns. Focus more on stocks that fit those winning patterns.

What did your losers have in common?

Look for similarities—did you buy before a breakout? Did outside sources like the news or a tip influence you? Was the market in a correction when you bought it?

Did you BUY CORRECTLY?

1

Analyze the **BASE**.
Was the base right?
Was it early-stage or late-stage?
Was the buy point correct?

3

If the stock started well, did you **ADD** to the position correctly?

2

Was the **BREAKOUT** SUCCESSFUL?

4

Check the **FUNDAMENTALS**.

AA

TGT

EDU



GOOD STOCKS

- \$10 or more per share
- 25%+ current quarter EPS growth
- 25%+ annual EPS growth
- New products, management or price high
- High volume on breakout
- Top stock in a top industry group
- Increasing fund ownership
- 400,000+ daily volume
- Bought during market uptrend



Did you SELL CORRECTLY?

1

Write down your **SELL RULES**.
SELL INTO STRENGTH: take profits on most stocks at +20-25%
PROTECT YOUR PORTFOLIO: sell if it drops 7-8% below your buy point

2

If you lost money, did you stick to your **STOP-LOSS**?
TIP: A 7-8% stop-loss lets you live to fight another day.

3

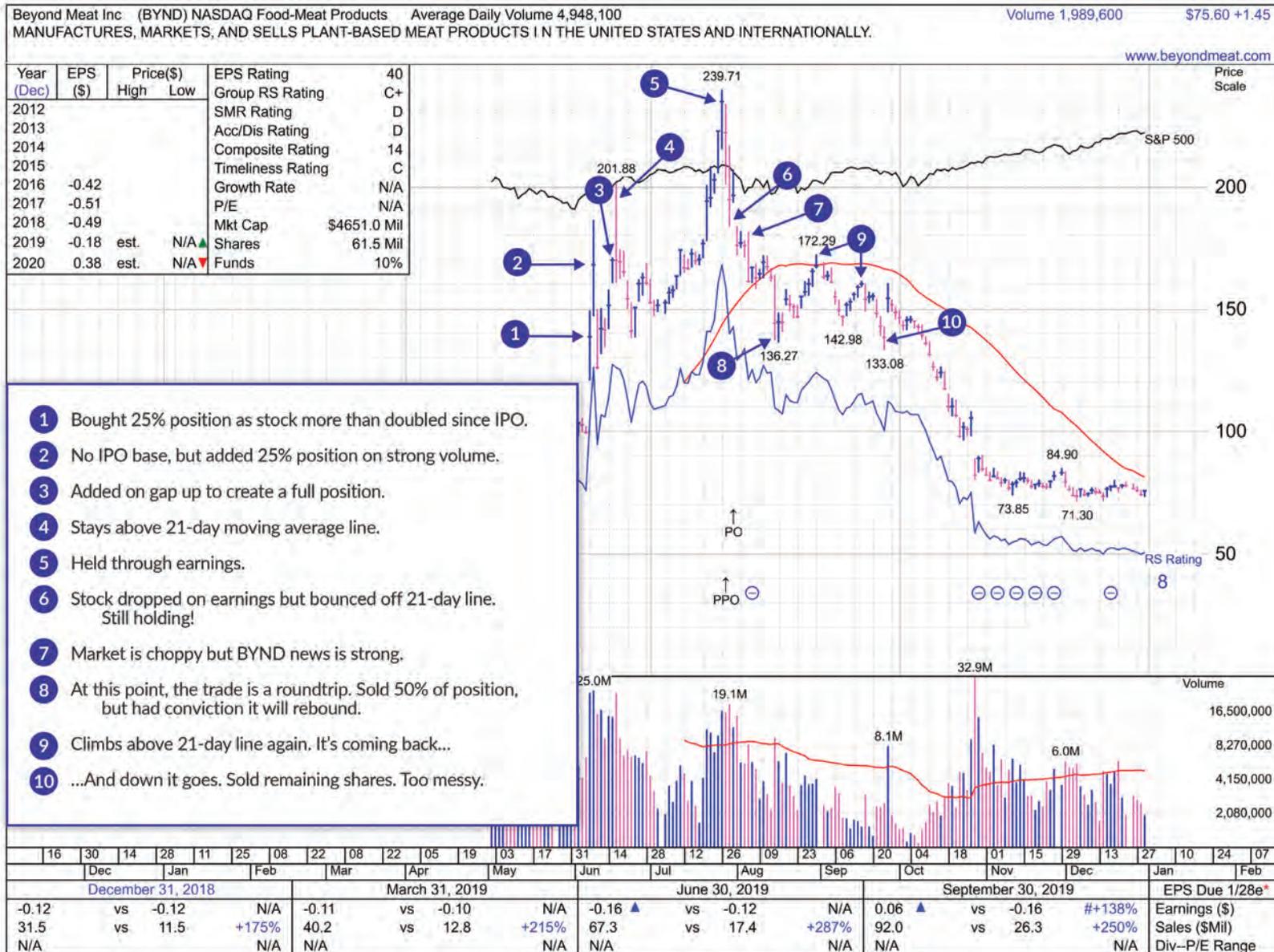
If you made money, did you sell when it hit your **PROFIT TARGET**?
TIP: Don't get greedy and think your stock will never run out of gas.
 Take profits consistently and compound your returns over and over.

Check out two trades from 2019—one champion and one wreck—and see our example post-analysis



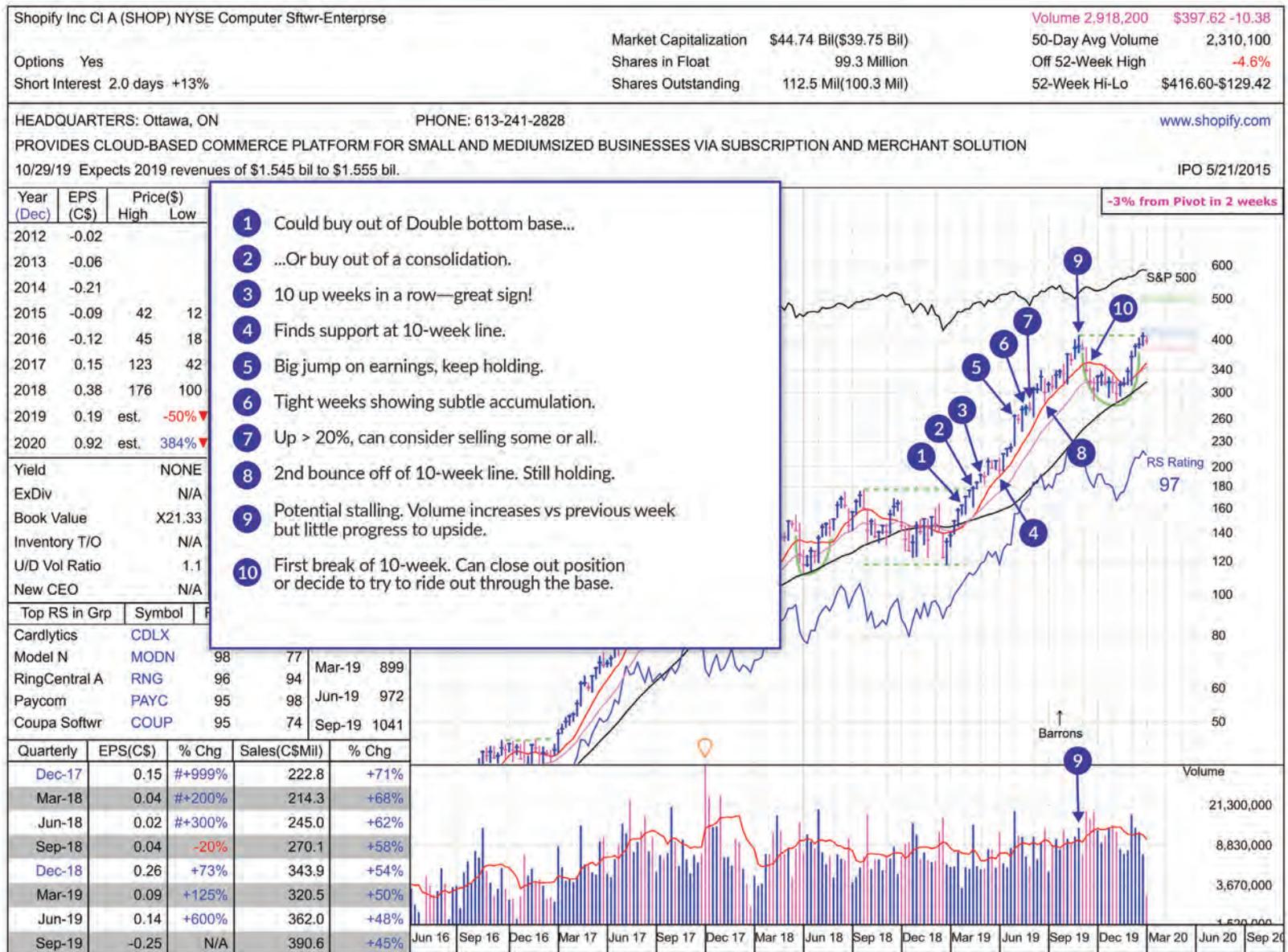
Post-Analysis: The Importance of Bases – Beyond Meat (BYND)

This trade is a good example of letting emotions and enthusiasm drive your trading, rather than sound technical analysis. This red-hot IPO enjoyed a rapid run-up—and a similarly rapid decline.



Post-Analysis: Let Your Winners Run – Shopify (SHOP)

When you find a game-changing stock in a leading sector, you can use confirming signals (like the Relative Strength Line at a new high, in this case) to bolster your conviction.



Featured Stocks

In 2019, the indexes finished near all-time highs, while the S&P 500 and Nasdaq enjoyed their best full-year performances since 2013. These topline numbers obscure an important fact: if you did not change course during the downturn that started in May and the choppiness that continued until Q4, you would have given back a significant amount of your early gains. This is why it's crucial to watch the market and be responsive when leading sectors rotate or the market suddenly falls into a correction.

These featured stocks all made sizeable price moves during 2019, but the way they went about it varies. Some had big moves in a short period of time, but were hit by quick, high-volume selloffs that left long-term holders seeing red. Some featured stocks were in the midst of long-term rallies, or otherwise enjoyed a second or third big move. Even in a year with multiple high-profile IPO flops, many of these featured stocks were newer companies.

This section highlights 70 of the 759 stocks that passed the screening criteria listed below. It begins with eight charts marked up by MarketSmith Product Coaches to indicate the kind of technical and fundamental review crucial to post-analysis. Weekly charts for the featured stocks appear next, each with an accompanying article that delves into the company itself. The featured stocks are organized by sector and sorted by performance within each sector in descending order.

Screening Criteria for Non-IPOs:

Peak Price \geq \$20
2019 High Price > 2018 High Price
Stock Price increase by at least 40% in 2019
Average Daily Dollar Volume on 12/31/2019 \geq \$5,000,000

Screening Criteria for IPOs:

IPO'd in Q4 2018 through 2019
IPO First Day of Trading To 2019 High Price \geq 40%
2019 High Price \geq \$15

Apple Inc

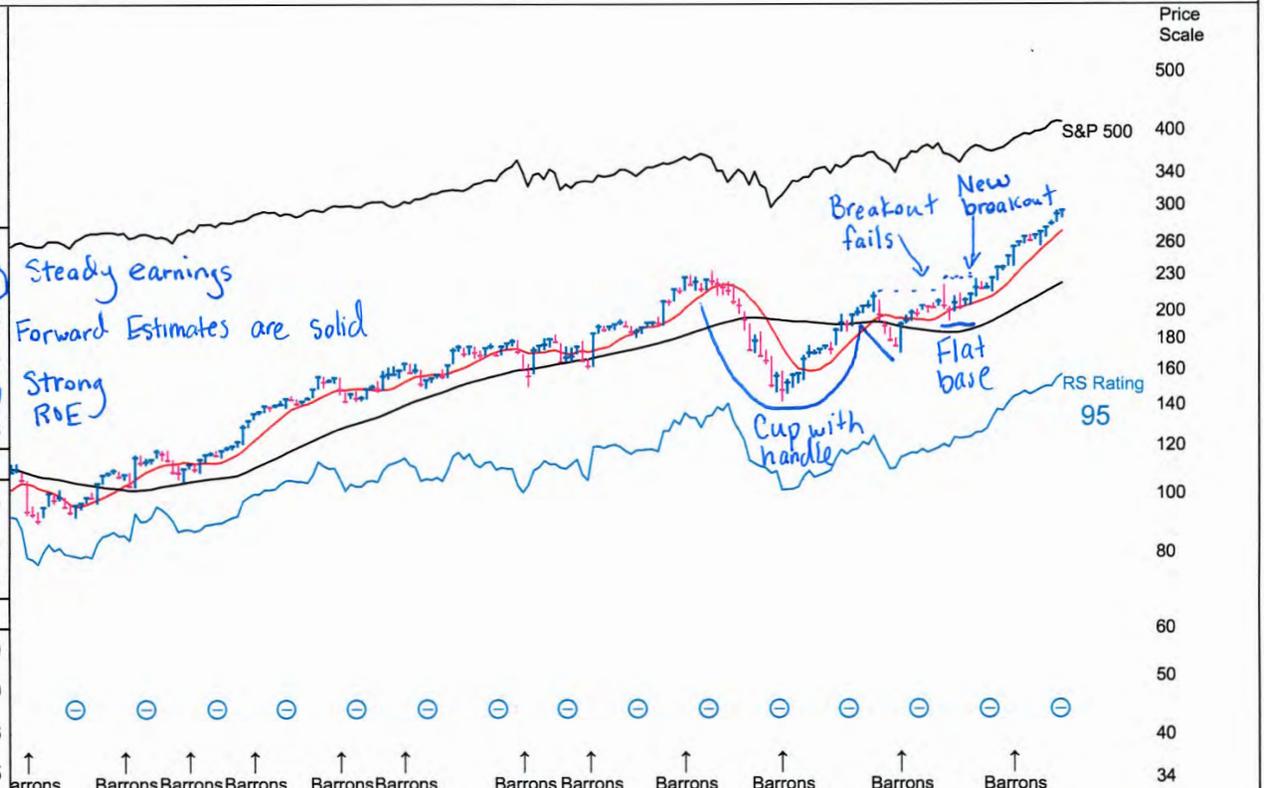
Apple Inc (AAPL) NASDAQ Telecom-Consumer Prods		Market Capitalization	\$1304.77 Billion	Volume	61,035,600	\$293.65 +3.85
Options	Yes	Shares in Float	4398.8 Million	50-Day Avg Volume	25,479,300	
Short Interest	2.0 days -17%	Shares Outstanding	4443.3 Million	Off 52-Week High	-0.1%	
				52-Week Hi-Lo	\$293.97-\$142.00	

HEADQUARTERS: Cupertino, CA PHONE: 408-996-1010 www.apple.com

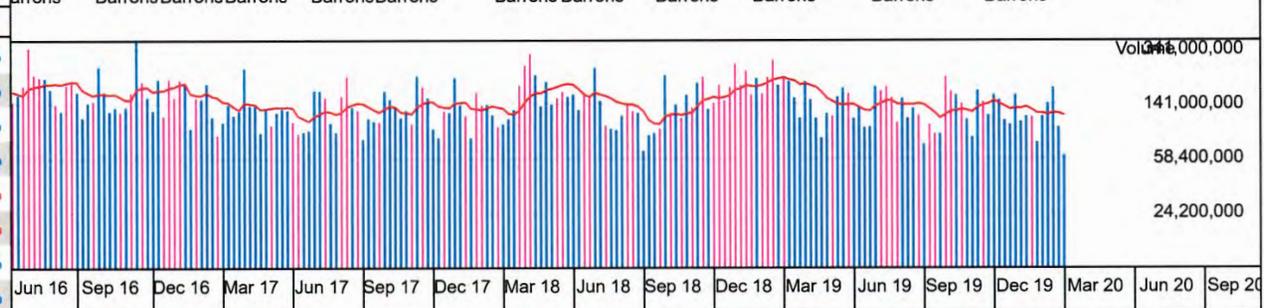
MANUFACTURES MOBILE COMMUNICATION DEVICES, PERSONAL COMPUTER S, AND PORTABLE DIGITAL MUSIC PLAYERS.

12/02/19 Acquired Smartphone Modem Business from Intel, for about \$1 bil IPO 12/12/1980

Year (Sep)	EPS (\$)	Price(\$) High Low	EPS Rating	65
2013	5.68	82 55	Group RS Rating	85
2014	6.45	119 70	SMR Rating	B
2015	9.22	134 92	Acc/Dis Rating	B-
2016	8.31	118 89	Composite Rating	90
2017	9.21	177 114	Timeliness Rating	B
2018	11.91 ▲	233 146	Sponsorship Rating	B
2019	11.89	293 142	EPS Growth Rate	11%
2020	13.07 est.	10% ▲	Earnings Stability	8
2021	14.92 est.	14% ▲	P/E Ratio	25 (1.3 X SP)
Yield	1.1%		5-Year P/E Range	10-25
ExDiv	11/07/19		Return on Equity	56%
Book Value	X14.31		Cash Flow	\$15.26
Inventory T/O	64.54X		Debt 101%	Ownership
U/D Vol Ratio	1.5		R&D 6.2%	Mgmt 1%
New CEO	08/2011		Alpha 0.09	Banks 2%
			Beta 1.56	Funds 27%
Top RS in Grp	Symbol	RS	EPS Rtg	No. of Funds
Ooma	OOMA	73	59	Dec-18 4930
Motorola	MSI	57	91	Mar-19 4969
Tessco	TESS	8	6	Jun-19 5018
				Sep-19 5065



Quarterly	EPS(\$)	% Chg	Sales(\$Bil)	% Chg
Dec-17	3.89	+16%	88.3	+13%
Mar-18	2.73	+30%	61.1	+16%
Jun-18	2.34 ▲	+40%	53.3	+17%
Sep-18	2.91	+41%	62.9	+20%
Dec-18	4.18	+7%	84.3	-5%
Mar-19	2.46	-10%	58.0	-5%
Jun-19	2.18	-7%	53.8	+1%
Sep-19	3.03	+4%	64.0	+2%



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Kirkland Lake Gold Ltd

Kirkland Lake Gold Ltd (KL) NYSE Mining-Gold/Silver/Gems		Volume 2,137,600	\$44.07 +0.72
		Market Capitalization	\$9263.0 Million
Options Yes		Shares in Float	201.8 Million
Short Interest 3.8 days -2%		Shares Outstanding	210.2 Million
		50-Day Avg Volume	1,561,000
		Off 52-Week High	-13.7%
		52-Week Hi-Lo	\$51.08-\$24.69

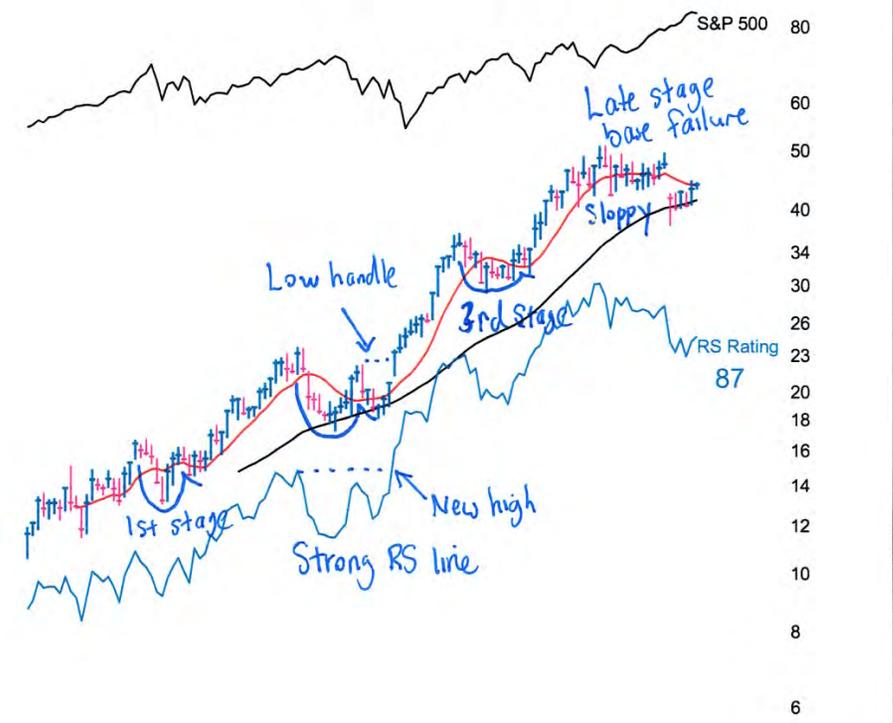
HEADQUARTERS: Toronto, ON PHONE: 416-840-7884 www.klgold.com

CANADIAN FIRM ENGAGED IN THE PROVISION OF MINING AND MINERAL EXPLORATION IN CANADA AND AUSTRALIA.

03/25/19 Named Jeffrey Parr interim Chrmn, effective May 7, 2019, replacing Eric Sprott who will retire

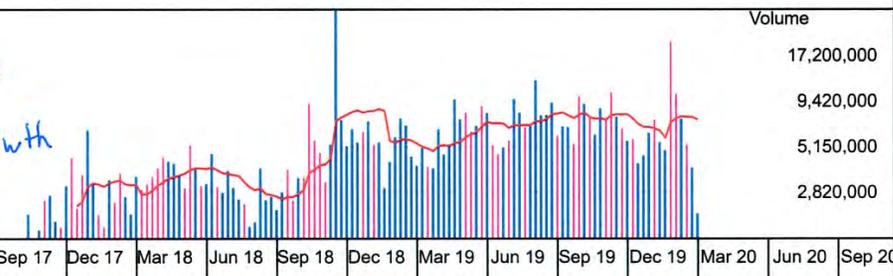
Year (Dec)	EPS (C\$)	Price(\$) High Low	EPS Rating	Price Scale
2012			99	80
2013			87	60
2014			A	50
2015	0.08		C	40
2016	0.32		98	34
2017	0.75	15 10	A	30
2018	1.35	26 13	N/A	26
2019	2.66 est.	97%▲	166%	23
2020	2.65 est.	0%▼	56	20
Yield 0.5%			P/E Ratio 18 (0.9 X SP)	18
ExDiv 12/30/19			5-Year P/E Range 13-25	16
Book Value X7.31			Return on Equity 24%	14
Inventory T/O 22.47X			Cash Flow \$2.01	12
U/D Vol Ratio 1.1			Debt 1%	10
New CEO 09/2016			Ownership	8
			R&D 7.3%	6
			Mgmt 4%	
			Alpha 0.33	
			Banks 2%	
			Beta -0.92	
			Funds 47%	

Strong proprietary ratings



Quarterly	EPS(C\$)	% Chg	Sales(C\$Mil)	% Chg
Dec-17	0.31	+182%	212.4	+62%
Mar-18	0.25	+213%	198.2	+18%
Jun-18	0.30	+58%	214.7	+13%
Sep-18	0.29	+71%	222.7	+26%
Dec-18	0.52	+68%	280.3	+32%
Mar-19	0.53	+112%	304.9	+54%
Jun-19	0.50	+67%	281.3	+31%
Sep-19	0.84	+190%	381.4	+71%

Huge quarterly earnings
Accelerating sales growth



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Lululemon Athletica

Lululemon Athletica (LULU) NASDAQ Retail-Apparel/Shoes/Acc

Volume 2,147,000 \$231.67 +1.65

Options Yes
Short Interest 1.7 days -25%

Market Capitalization \$30.19 Bil(\$28.47 Bil)
Shares in Float 109.8 Million
Shares Outstanding 130.3 Mil(123.3 Mil)

50-Day Avg Volume 2,042,400
Off 52-Week High -1.6%
52-Week Hi-Lo \$235.50-\$118.28

HEADQUARTERS: Vancouver, BC

PHONE: 604-732-6124

www.lululemon.com

OPERATES AND FRANCHISES 440 ATHLETIC APPAREL STORES IN U.S., CANADA, AUSTRALIA, UK, NEW ZEALAND

12/11/19 Expects FY20 earnings of \$4.75 to \$4.78 per diluted share on revenues of \$3.895 bil to \$3.910 bil

IPO 7/30/2007

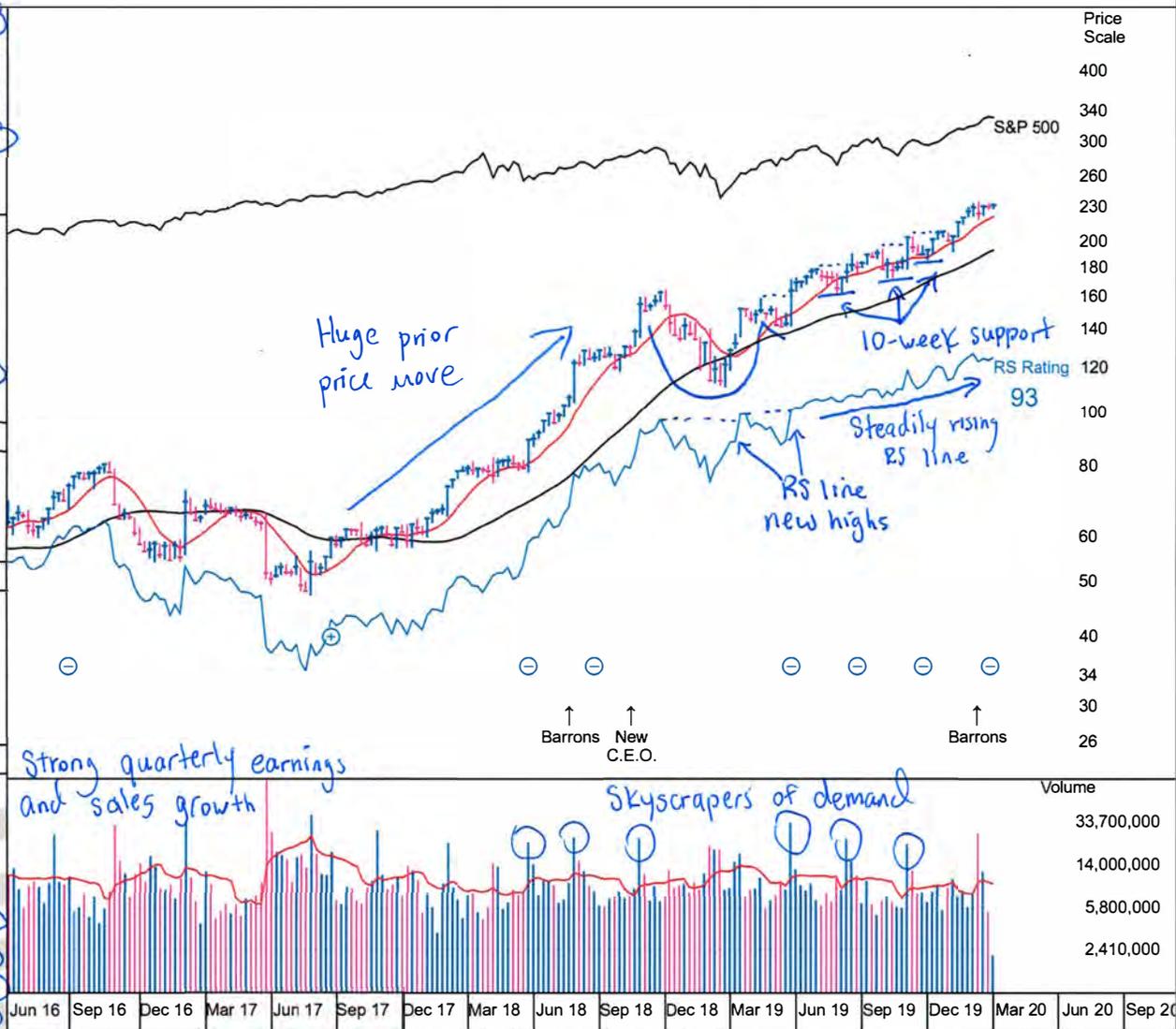
Year (Jan)	EPS (C\$)	Price(\$) High Low	EPS Rating
2013	1.81	82 57	96
2014	1.91	59 36	89
2015	1.87	70 43	A
2016	1.86	81 51	B
2017	2.14	80 47	99
2018	2.59	164 74	A
2019	3.84	235 118	C
2020	4.80 est.	25%	21%
2021	5.69 est.	19%	12

Group RS Rating	89
SMR Rating	A
Acc/Dis Rating	B
Composite Rating	99
Timeliness Rating	A
Sponsorship Rating	C
EPS Growth Rate	21%
Earnings Stability	12
P/E Ratio	51 (2.6 X SP)
5-Year P/E Range	22-52
Return on Equity	34%
Cash Flow	\$4.87

Yield	NONE		
ExDiv	N/A		
Book Value	X20.80		
Inventory T/O	8.96X		
U/D Vol Ratio	1.1		
New CEO	08/2018		
Debt	0%	Ownership	
R&D	N/A	Mgmt	1%
Alpha	0.16	Banks	N/A
Beta	1.05	Funds	N/A

Top RS in Grp	Symbol	RS	EPS Rtg	No. of Funds
Boot Barn	BOOT	96	94	Dec-18 1217
Buckle	BKE	94	61	Mar-19 1334
BurlighnStrs	BURL	91	98	Jun-19 1404
Zumiez	ZUMZ	91	85	Sep-19 1413
Lands End	LE	91	47	

Quarterly	EPS(C\$)	% Chg	Sales(C\$Mil)	% Chg
Jan-18	1.33	+33%	928.8	+18%
Apr-18	0.55	+72%	649.7	+25%
Jul-18	0.71	+82%	723.5	+25%
Oct-18	0.75	+34%	747.7	+21%
Jan-19	1.85	+39%	1167.5	+26%
Apr-19	0.74	+35%	782.3	+20%
Jul-19	0.96	+35%	883.4	+22%
Oct-19	0.96	+28%	916.1	+23%



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12.31.2019

MercadoLibre Inc

Mercadolibre Inc (MELI) NASDAQ Retail-Internet

Volume 777,600 \$571.94 -27.30

Options Yes
Short Interest 4.5 days -3%

Market Capitalization \$28.43 Billion
Shares in Float 44.7 Million
Shares Outstanding 49.7 Million

50-Day Avg Volume 487,400
Off 52-Week High -18.2%
52-Week Hi-Lo \$698.98-\$282.44

HEADQUARTERS: ARGENTINA

PHONE:

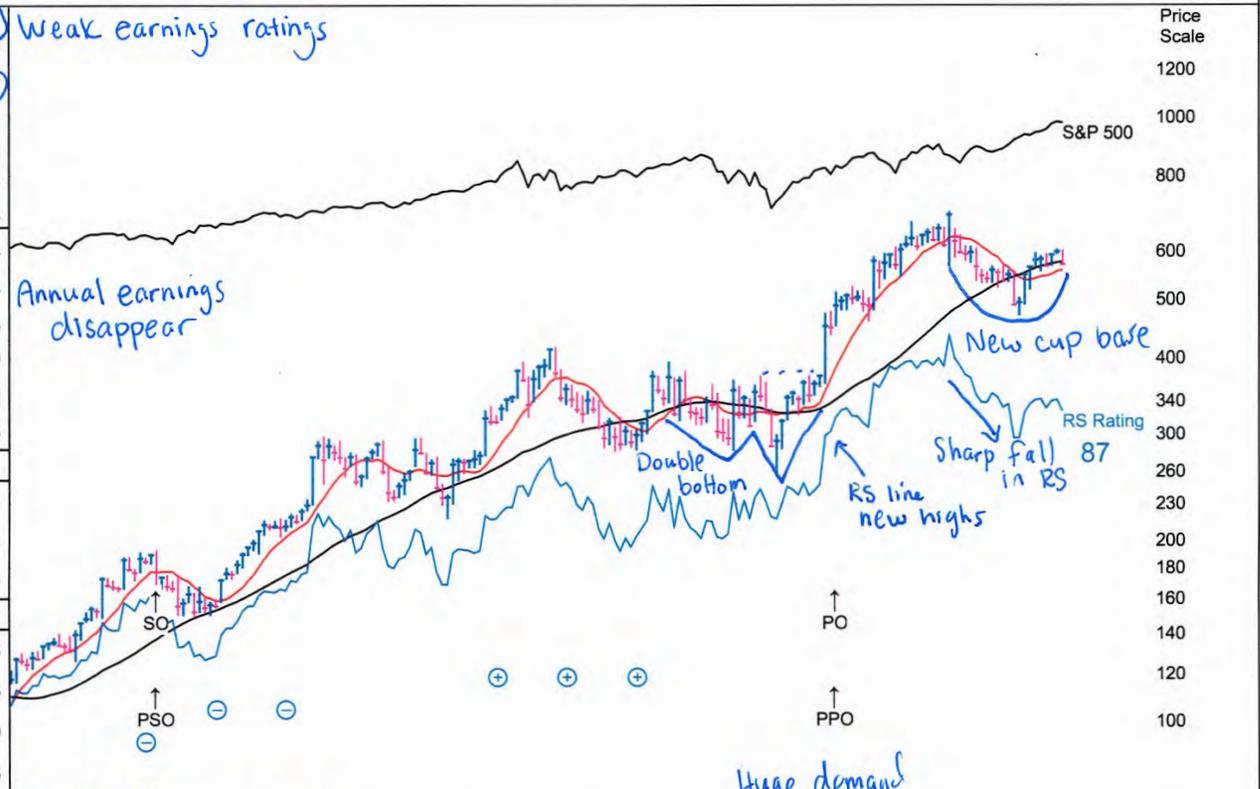
www.mercadolibre.com

PROVIDES AN ONLINE MARKETPLACE AND ELECTRONIC PAYMENT SERVICE IN LATIN AMERICA VIA MERCADOLIBRE.COM.

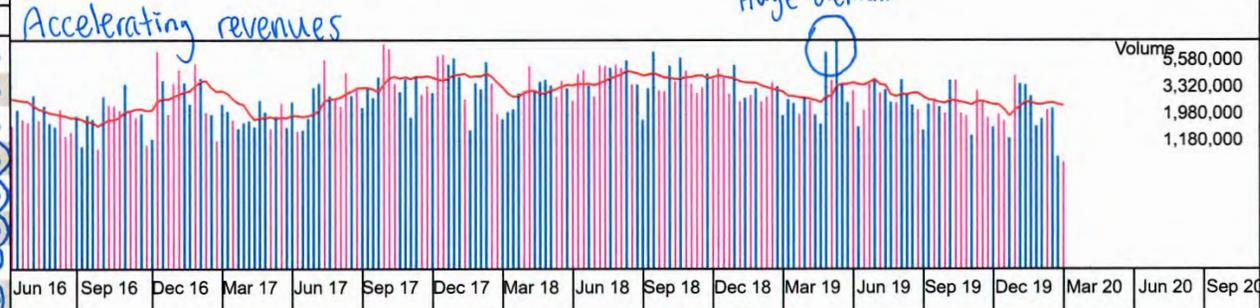
08/31/18 Offered \$80 mil of 2.00% convertible senior notes due 2028

IPO 8/10/2007

Year (Dec)	EPS (\$)	Price(\$) High Low	EPS Rating	Group RS Rating	SMR Rating	Acc/Dis Rating	Composite Rating	Timeliness Rating	Sponsorship Rating	EPS Growth Rate	Earnings Stability	P/E Ratio	5-Year P/E Range	Return on Equity	Cash Flow
2012	2.30	104 64	23	7			46	C	A	N/A	N/A	N/A	28-999	[N/A]	\$0.46
2013	2.80	145 76													
2014	2.88▲	144 79													
2015	3.14▲	153 85													
2016	3.46	193 84													
2017	0.81	334 155													
2018	-0.82	417 257													
2019	-3.07 est.	N/A▼													
2020	-1.44 est.	N/A▲													



Quarterly	EPS(\$)	% Chg	Sales(\$Mil)	% Chg
Dec-17	-1.53	N/A	358.1	+40%
Mar-18	-0.29	N/A	321.0	+19%
Jun-18	-0.25	N/A	335.4	+18%
Sep-18	-0.23	N/A	355.3	+17%
Dec-18	-0.05	N/A	428.0	+20%
Mar-19	0.13	#+145%	473.8	+48%
Jun-19	0.31	#+224%	545.2	+63%
Sep-19	-0.95	N/A	603.0	+70%



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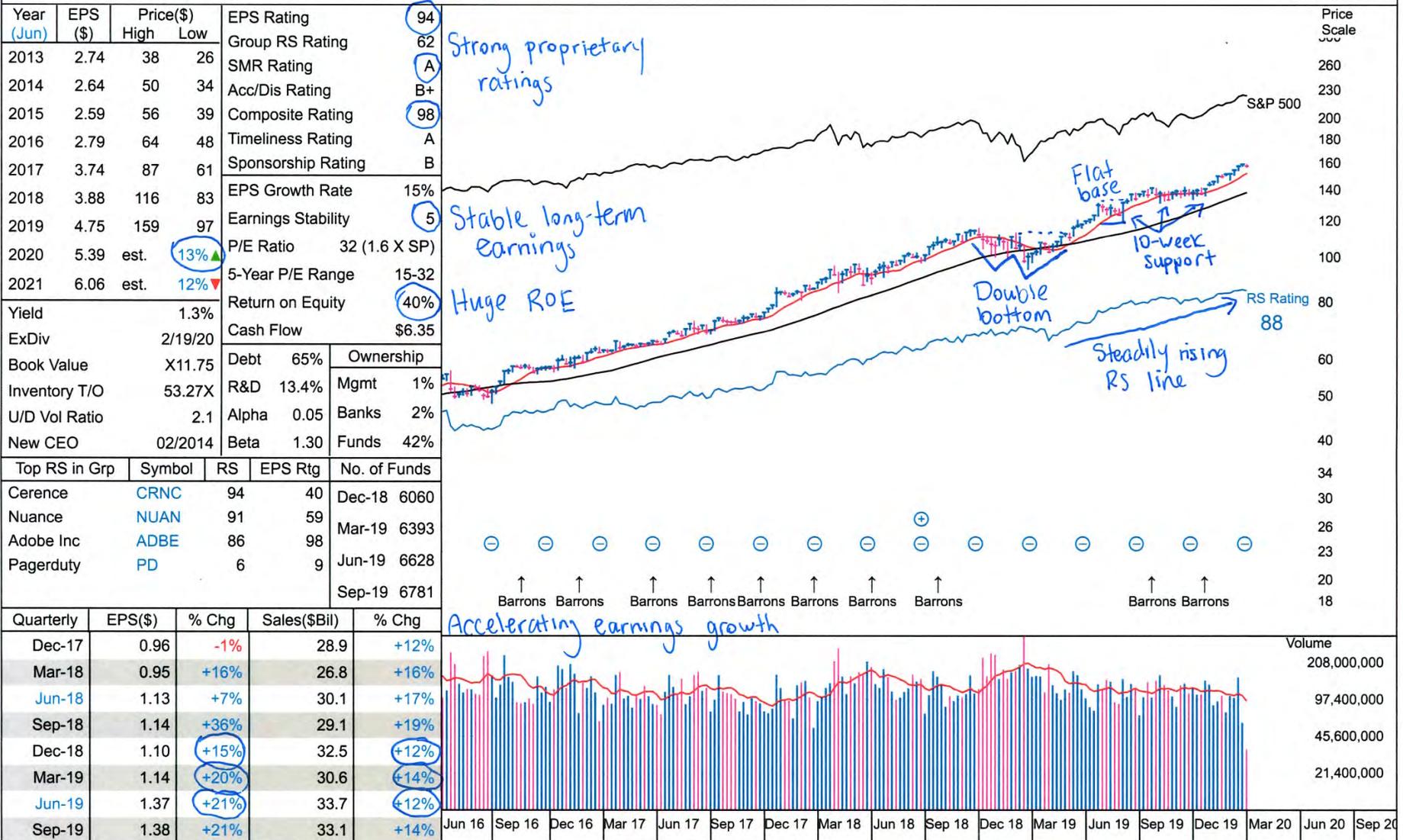
Microsoft Corp

Microsoft Corp (MSFT) NASDAQ Computer Sftwr-Desktop		Market Capitalization	\$1203.06 Billion	Volume 34,593,900	\$157.70 -1.26
Options Yes	Short Interest 2.9 days +9%	Shares in Float	7476.2 Million	50-Day Avg Volume	22,036,400
		Shares Outstanding	7628.8 Million	Off 52-Week High	-1.2%
				52-Week Hi-Lo	\$159.55-\$97.20

HEADQUARTERS: Redmond, WA PHONE: 425-882-8080 www.microsoft.com

DEVELOPS OPERATING SYSTEMS, BUSINESS SOFTWARE, APPLICATIONS FOR SERVERS, PC'S AND INTELLIGENT DEVICES.

10/21/19 Acquired Mover, a provider of cloud file migration, terms undisclosed IPO 3/17/1986



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Roku Inc

Roku Inc Cl A (ROKU) NASDAQ Leisure-Movies & Related

Volume 28,234,600 \$133.90 -5.62

Market Capitalization \$15.74 Bil(\$11.96 Bil)

50-Day Avg Volume 18,688,500

Options Yes

Shares in Float 90.1 Million

Off 52-Week High -24.2%

Short Interest 0.6 days +6%

Shares Outstanding 117.5 Mil(91.0 Mil)

52-Week Hi-Lo \$176.55-\$29.29

HEADQUARTERS: Los Gatos, CA

PHONE: 408-556-9040

www.roku.com

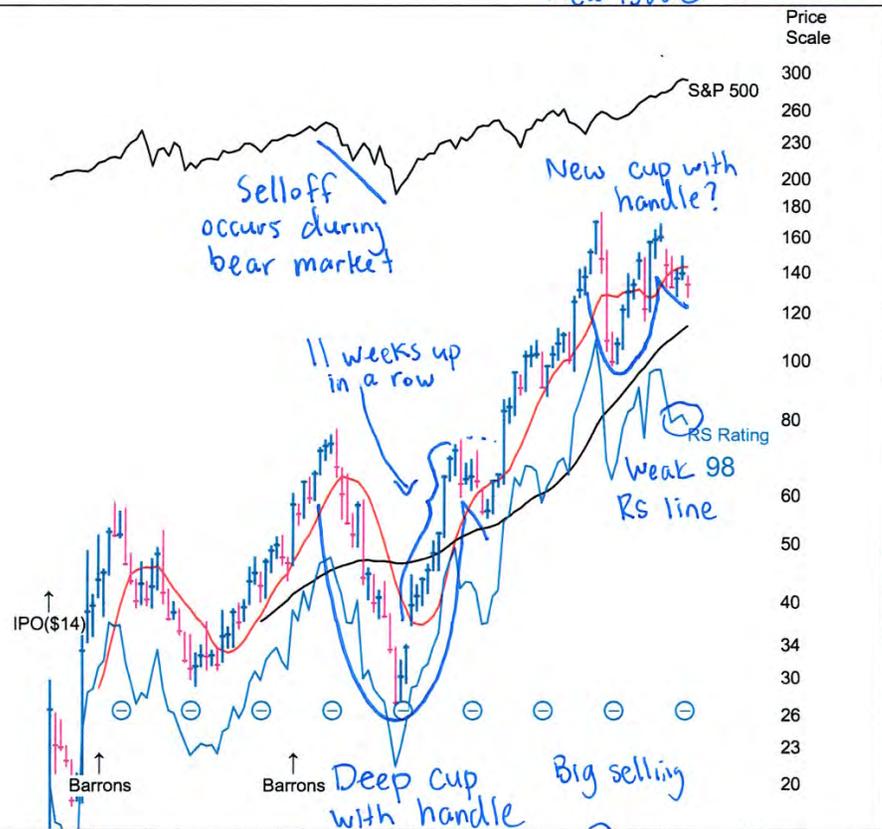
DEVELOPS STREAMING ENTERTAINMENT DEVICES FOR DELIVERING ENTERTAINMENT TO THE TELEVISION.

12/16/19 Steve Louden to resign as CFO, effective upon the appointment of his successor

New issue IPO 9/28/2017

Year (Dec)	EPS (\$)	Price(\$) High Low	EPS Rating	Group RS Rating	SMR Rating	Acc/Dis Rating	Composite Rating	Timeliness Rating	Sponsorship Rating
2012			3	13	D	B	43	D	B
2013									
2014									
2015	-0.42								
2016	-0.44								
2017	-0.67 ▲	58 15		N/A					
2018	-0.08	77 26		N/A					
2019	-0.52 est.	N/A ▼		N/A					
2020	-0.49 est.	N/A ▼		N/A					
Yield	NONE		Return on Equity	[N/A]					
ExDiv	N/A		Cash Flow	\$-0.01					
Book Value	X63.21		Debt	0%	Ownership				
Inventory T/O	21.73X		R&D	23.0%	Mgmt 1%				
U/D Vol Ratio	1.0		Alpha	0.49	Banks 1%				
New CEO	N/A		Beta	1.88	Funds 46%				
Top RS in Grp	Symbol	RS	EPS Rtg	No. of Funds					
ReadIntB	RDIB	84	16	Dec-18	262				
IqiYi A	IQ	82	16	Mar-19	306				
Netflix	NFLX	53	89	Jun-19	403				
Imax	IMAX	25	70	Sep-19	630				
Cinemark n	CNK	16	50						

No earnings track record



Quarterly	EPS(\$)	% Chg	Sales(\$Mil)	% Chg
Dec-17	▲ 0.06	+100%	188.3	+28%
Mar-18	-0.07	N/A	136.6	+36%
Jun-18	0.01	#+106%	156.8	+57%
Sep-18	-0.09	N/A	173.4	+39%
Dec-18	0.05	-17%	275.7	+46%
Mar-19	-0.09	N/A	206.7	+51%
Jun-19	-0.08	N/A	250.1	+59%
Sep-19	-0.22	N/A	260.9	+50%

Big sales growth

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Shopify Inc

Shopify Inc Cl A (SHOP) NYSE Computer Sftwr-Enterprse

Options Yes
Short Interest 2.0 days +13%

Market Capitalization \$44.74 Bil(\$39.75 Bil)
Shares in Float 99.3 Million
Shares Outstanding 112.5 Mil(100.3 Mil)

Volume 2,947,300 \$397.58 -10.42
50-Day Avg Volume 2,310,100
Off 52-Week High -4.6%
52-Week Hi-Lo \$416.60-\$129.42

HEADQUARTERS: Ottawa, ON

PHONE: 613-241-2828

www.shopify.com

PROVIDES CLOUD-BASED COMMERCE PLATFORM FOR SMALL AND MEDIUMSIZED BUSINESSES VIA SUBSCRIPTION AND MERCHANT SOLUTION

10/29/19 Expects 2019 revenues of \$1.545 bil to \$1.555 bil.

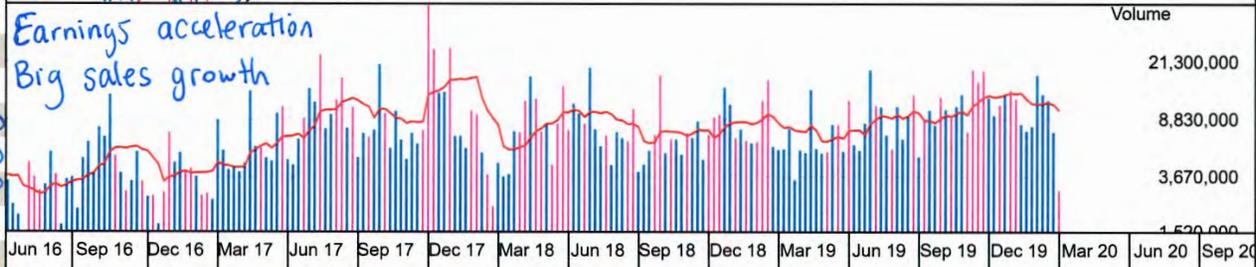
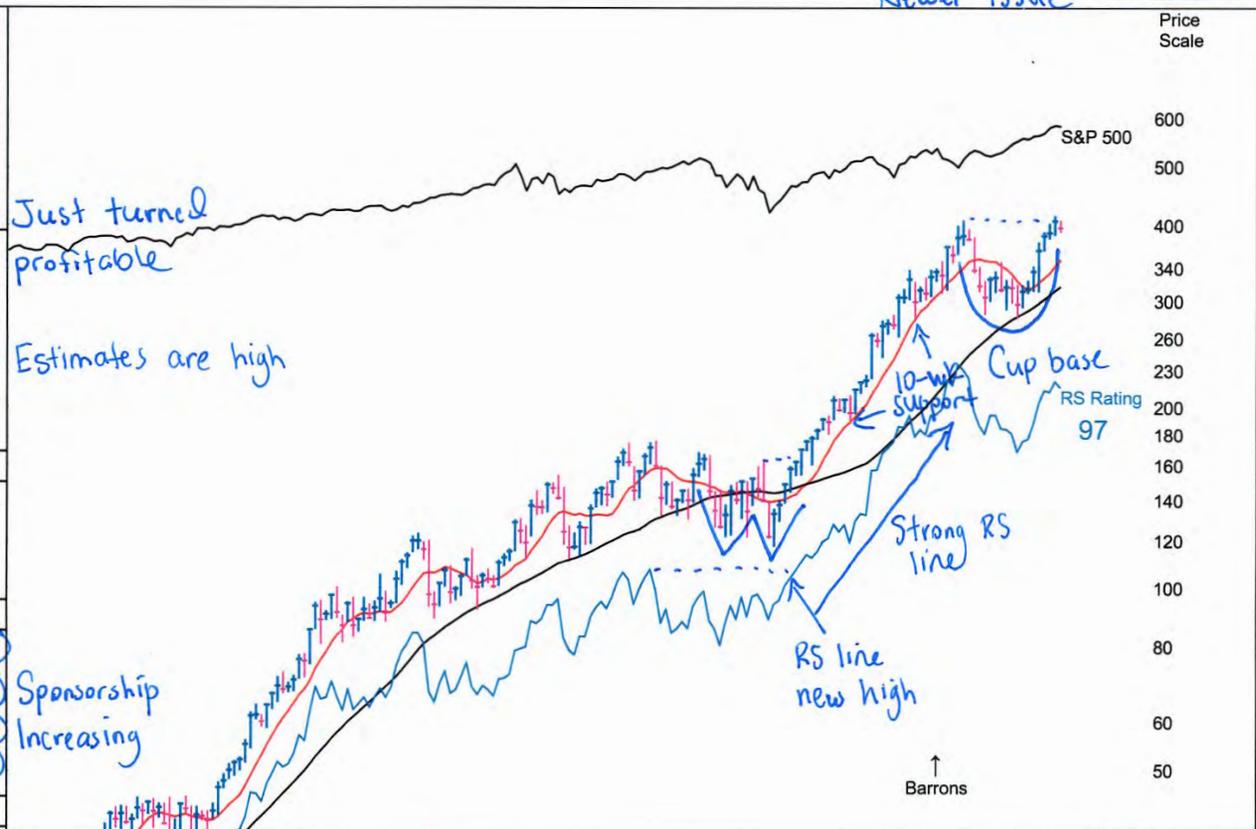
Newer issue IPO 5/21/2015

Year (Dec)	EPS (C\$)	Price(\$) High Low	EPS Rating	28
2012	-0.02		Group RS Rating	55
2013	-0.06		SMR Rating	C
2014	-0.21		Acc/Dis Rating	B+
2015	-0.09	42 12	Composite Rating	70
2016	-0.12	45 18	Timeliness Rating	C
2017	0.15	123 42	Sponsorship Rating	B
2018	0.38	176 100	EPS Growth Rate	N/A
2019	0.19 est.	-50%▼	Earnings Stability	N/A
2020	0.92 est.	384%▼	P/E Ratio	999 (82.6 X SP)
			5-Year P/E Range	316-999
			Return on Equity	3%

Yield	NONE	Cash Flow	\$0.60
ExDiv	N/A	Debt	1%
Book Value	X21.33	R&D	21.5%
Inventory T/O	N/A	Alpha	0.29
U/D Vol Ratio	1.1	Beta	1.49
New CEO	N/A	Ownership	
		Mgmt	1%
		Banks	2%
		Funds	43%

Top RS in Grp	Symbol	RS	EPS Rtg	No. of Funds
Cardlytics	CDLX	99	63	Dec-18 (844)
Model N	MODN	98	77	Mar-19 (899)
RingCentral A	RNG	96	94	Jun-19 (972)
Paycom	PAYC	95	98	Sep-19 (1041)
Coupa Softwr	COUP	95	74	

Quarterly	EPS(C\$)	% Chg	Sales(C\$Mil)	% Chg
Dec-17	0.15	#+999%	222.8	+71%
Mar-18	0.04	#+200%	214.3	+68%
Jun-18	0.02	#+300%	245.0	+62%
Sep-18	0.04	-20%	270.1	+58%
Dec-18	0.26	+73%	343.9	+54%
Mar-19	0.09	+125%	320.5	+50%
Jun-19	0.14	+600%	362.0	+48%
Sep-19	-0.25	N/A	390.6	+45%



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Veeva Systems Inc

Veeva Systems Inc Cl A (VEEV) NYSE Computer Sftwr-Medical		Volume 2,400,400	\$140.66 +0.01
		Market Capitalization	\$20.90 Bil(\$18.69 Bil)
Options Yes		Shares in Float	130.9 Million
Short Interest 1.6 days -13%		Shares Outstanding	148.6 Mil(132.2 Mil)
		50-Day Avg Volume	1,406,100
		Off 52-Week High	-20.5%
		52-Week Hi-Lo	\$176.90-\$82.41

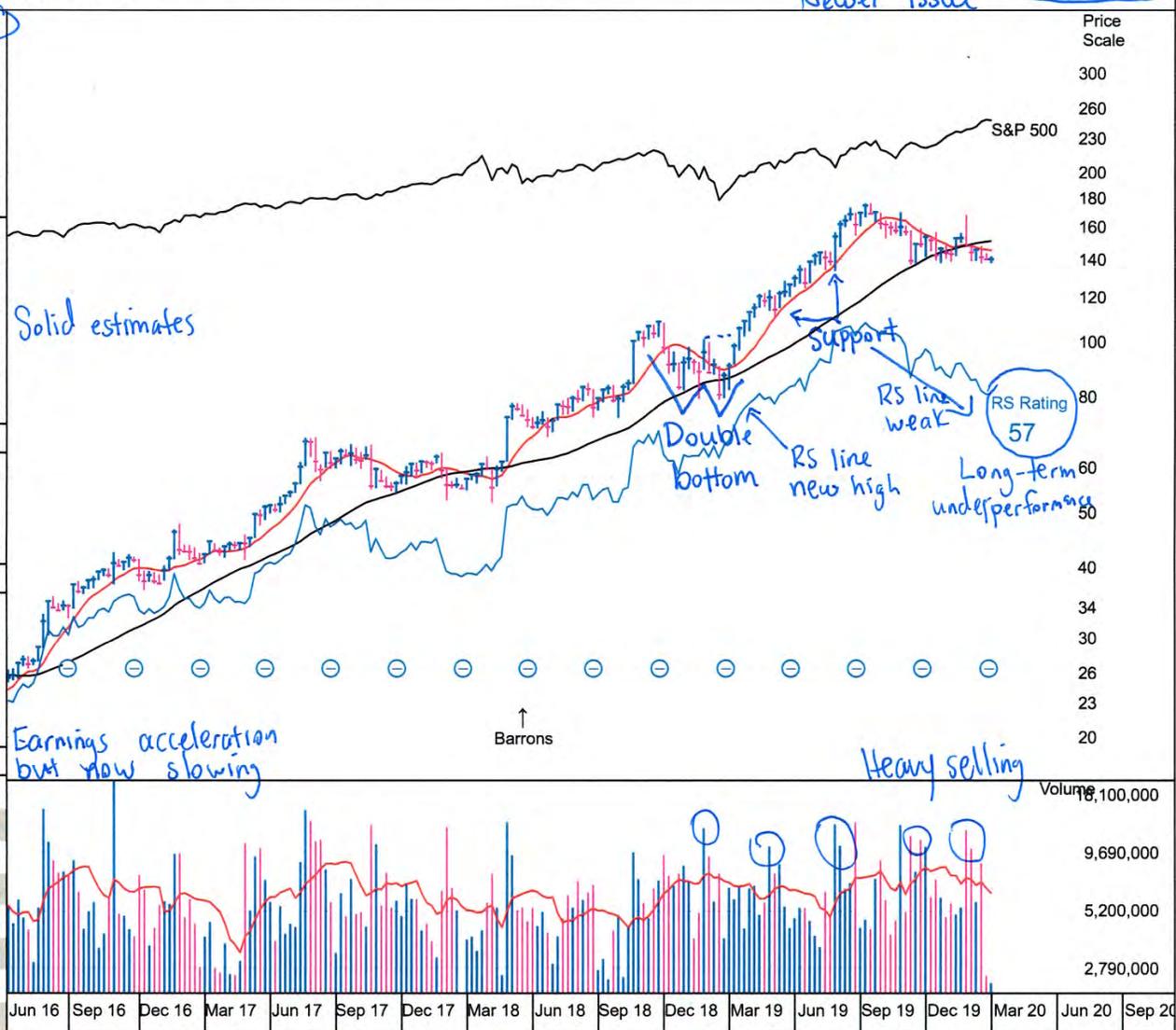
HEADQUARTERS: Pleasanton, CA PHONE: 925-452-6500 www.veeva.com

DEVELOPS CLOUD-BASED SOFTWARE FOR SALES/MARKETING FUNCTIONS OF COMPANIES IN THE LIFE SCIENCES INDUSTRY.

11/07/19 Acquired Physicians World, a provider of speakers bureau services

Year (Jan)	EPS (\$)	Price(\$) High Low	EPS Rating	99
2013	0.15	49 12	Group RS Rating	7
2014	0.23	39 17	SMR Rating	A
2015	0.37	33 22	Acc/Dis Rating	D-
2016	0.51	47 19	Composite Rating	68
2017	0.73	68 40	Timeliness Rating	C
2018	0.96	109 52	Sponsorship Rating	B
2019	1.63	176 82	EPS Growth Rate	45%
2020	2.17 est.	33%▲	Earnings Stability	6
2021	2.51 est.	16%▲	P/E Ratio	67 (3.4 X SP)
Yield		NONE	5-Year P/E Range	38-99
ExDiv		N/A	Return on Equity	24%
Book Value		X16.92	Cash Flow	\$1.89
Inventory T/O		N/A	Debt	0%
U/D Vol Ratio		1.0	Ownership	
New CEO		N/A	R&D	18.4%
			Alpha	0.04
			Beta	1.56

Quarterly	EPS(\$)	% Chg	Sales(\$Mil)	% Chg
Jan-18	0.24	+9%	186.0	+24%
Apr-18	0.33	+43%	195.6	+22%
Jul-18	0.39	+63%	209.6	+25%
Oct-18	0.45	+80%	224.7	+27%
Jan-19	0.45	+88%	232.3	+25%
Apr-19	0.50	+52%	244.8	+25%
Jul-19	0.55	+41%	266.9	+27%
Oct-19	0.60	+33%	280.9	+25%



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TransDigm Closes In On Buy Zone From Bullish Base



aapsky/Shutterstock.com

Aerospace parts maker **TransDigm (TDG)** is the IBD Stock Of The Day as it closes in on a buy point after building a bullish base.

Defense stocks have been rising in recent months amid escalating global tensions and their relative safety vs. overall market volatility. TransDigm stock rose in line with the broader Aerospace/Defense Industry Group despite posting preliminary revenue results that are below analyst estimates.

The Cleveland-based company supplies a variety of key aircraft components, including actuators, power controls, ignition systems and gear pumps. In March, it added to its exposure to the OEM and aftermarket sectors by acquiring Esterline Technologies for \$4 billion.

Its customers include fellow aerospace and defense stocks Boeing (BA), **Lockheed Martin (LMT)** and **Airbus (EADSY)**. TransDigm supplies components for Boeing's F-15 fighter and Lockheed's F-35 stealth fighter.

Late Monday, the Pentagon awarded Lockheed a \$7 billion contract for 114 F-35s, covering part of a \$34 billion handshake deal for production lots 12, 13 and 14, which include 478 jets.

And while Boeing's 737 Max remains grounded with deliveries on hold and production ratcheted back, rival

Airbus (EADSY) is still scoring huge orders. On Tuesday, Airbus won a 300-jet order from Indian discount airliner IndiGo worth roughly \$30 billion, marking one of the largest deals ever for the narrow-body A320.

TransDigm Stock

Shares closed down 0.3% at 525.97 on the stock market today, reversing earlier gains after rising as high as 539.68. TransDigm stock has formed a flat base with a potential 542.20 buy point, MarketSmith analysis shows. It is a second-stage base. IBD research has found such early stage bases have a higher chance of success.

A bullish sign for the stock is it recently punched back above its 50-day line. Previously, the stock surged after an earnings gap-up in early August, but it has been consolidating since Sept. 5.

The relative strength line for TransDigm stock is just off record highs. It has pulled back slightly during the recent consolidation.

TransDigm stock has a 91 Composite Rating out of a best-possible 99. Earnings are a big driver for the stock, which is reflected in its EPS Rating of 94. The IBD Stock Checkup tool shows TransDigm earnings have grown by an average of 21% over the past three quarters. While this is strong, it is just shy of CAN SLIM requirements. They are also quite lumpy, struggling to build a consistent period of acceleration.

UBS analyst Miles Walton backed his buy rating on TransDigm stock in August, also giving it a price target of 605, due in part to the Esterline deal.

"For the first full quarter of Esterline ownership, the business performed very well as sales rose 9% yoy with EBITDA margins hitting 24.6% (not fully comparable to historical levels but worth noting the roughly 1000 basis points of improvement)," he said in a research note.

Cloud Hangs Over TransDigm Stock

While the firm has yet to finalized its financial results, it did release some preliminary figures Tuesday. It projected sales of \$1.525 billion-\$1.545 billion for the fiscal fourth quarter, below the Wall Street consensus estimate of \$1.66 billion, according to Zacks Investment Research.

The firm also announced a proposed offering of senior subordinated notes, with the proceeds to be used to redeem all of its outstanding notes due in 2022. Remaining proceeds will be used for general purposes, which could include potential future acquisitions.

TransDigm also was recently accused of price gouging by the Pentagon. A Defense Department inspector general's report released in February found it was earning "excess profits" from the department. The report looked at 47 parts and found that TransDigm's profit margins were 1,000% or more for 17 of them.

Last year, the Defense Logistics Agency paid \$4,361 for a drive pin that should cost \$46, Bloomberg reported. The House Oversight and Reform Committee asked for a refund of the \$16.1 million that TransDigm overcharged in defense contracts. The company initially pushed back on the decision before agreeing to repay.

Adapted from an article published on October 29, 2019 in Investor's Business Daily.

TransDigm Group Inc

Transdigm Group Inc (TDG) NYSE Aerospace/Defense		Market Capitalization	\$29.98 Billion	Volume 333,000	\$559.86 -4.12
Options Yes		Shares in Float	47.1 Million	50-Day Avg Volume	297,900
Short Interest 9.1 days -4%		Shares Outstanding	53.5 Million	Off 52-Week High	-1.8%
				52-Week Hi-Lo	\$570.03-\$290.11

HEADQUARTERS: Cleveland, OH PHONE: 216-706-2960 www.transdigm.com

MANUFACTURES ACTUATORS, CONTROLS, IGNITION SYSTEMS, GEAR PUMPS, AND OTHER COMPONENTS FOR AEROSPACE INDUSTRY.

12/20/19 Sold Souriau-Sunbank Connection Technologies business to Eaton Corporation plc, for \$920 mil IPO 3/15/2006

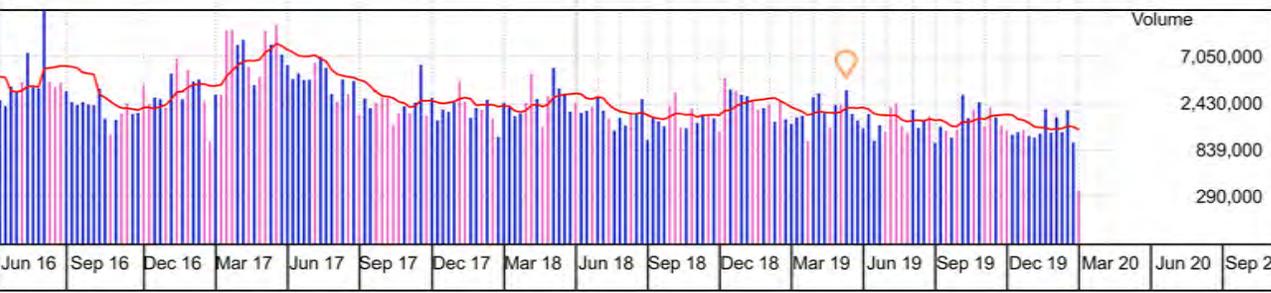
Year (Sep)	EPS (\$)	Price(\$) High Low	EPS Rating	93
2013	6.90	106 74	Group RS Rating	59
2014	7.76	151 104	SMR Rating	N/A
2015	9.01	184 146	Acc/Dis Rating	B
2016	11.43	227 135	Composite Rating	84
2017	12.38	255 167	Timeliness Rating	A
2018	15.20	337 236	Sponsorship Rating	B
2019	18.27	570 290	EPS Growth Rate	19%
2020	20.94	est. 15%▲	Earnings Stability	3
2021	24.29	est. 16%▲	P/E Ratio	31 (1.6 X SP)
			5-Year P/E Range	13-31
			Return on Equity	[N/A]
Yield	NONE		Cash Flow	\$22.72
ExDiv	12/27/19		Debt	N/A
Book Value	X-10.40		R&D	N/A
Inventory T/O	5.13X		Alpha	0.13
U/D Vol Ratio	1.6		Beta	1.19
New CEO	N/A			



Ownership	Mgmt	Banks	Funds
5%	2%	74%	

Top RS in Grp	Symbol	RS	EPS Rtg	No. of Funds
MaxarTech	MAXR	99	72	Dec-18 1059
Triumph	TGI	92	73	Mar-19 1162
Teledyne	TDY	91	91	Jun-19 1185
Raytheon	RTN	86	82	Sep-19 1228
Ducmmun	DCO	85	89	

Quarterly	EPS(\$)	% Chg	Sales(\$Mil)	% Chg
Dec-17	2.93	+16%	848.0	+4%
Mar-18	3.79	+25%	933.1	+7%
Jun-18	4.01	+19%	980.7	+9%
Sep-18	4.44	+28%	1049.4	+14%
Dec-18	4.21	+44%	1227.3	+45%
Mar-19	4.21	+11%	1227.3	+32%
Jun-19	4.21	+5%	1227.3	+25%
Sep-19	5.62	+27%	1541.3	+47%



Quotes delayed 20 minutes. Ownership and Estimate data provided by Thomson Reuters. reachus@marketsmith.com © 2019 MarketSmith, Incorporated. 12.31.2019

AEROSPACE

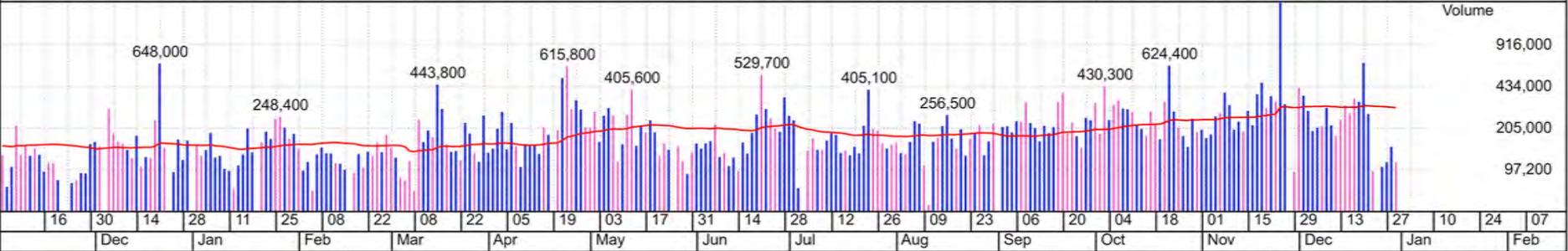
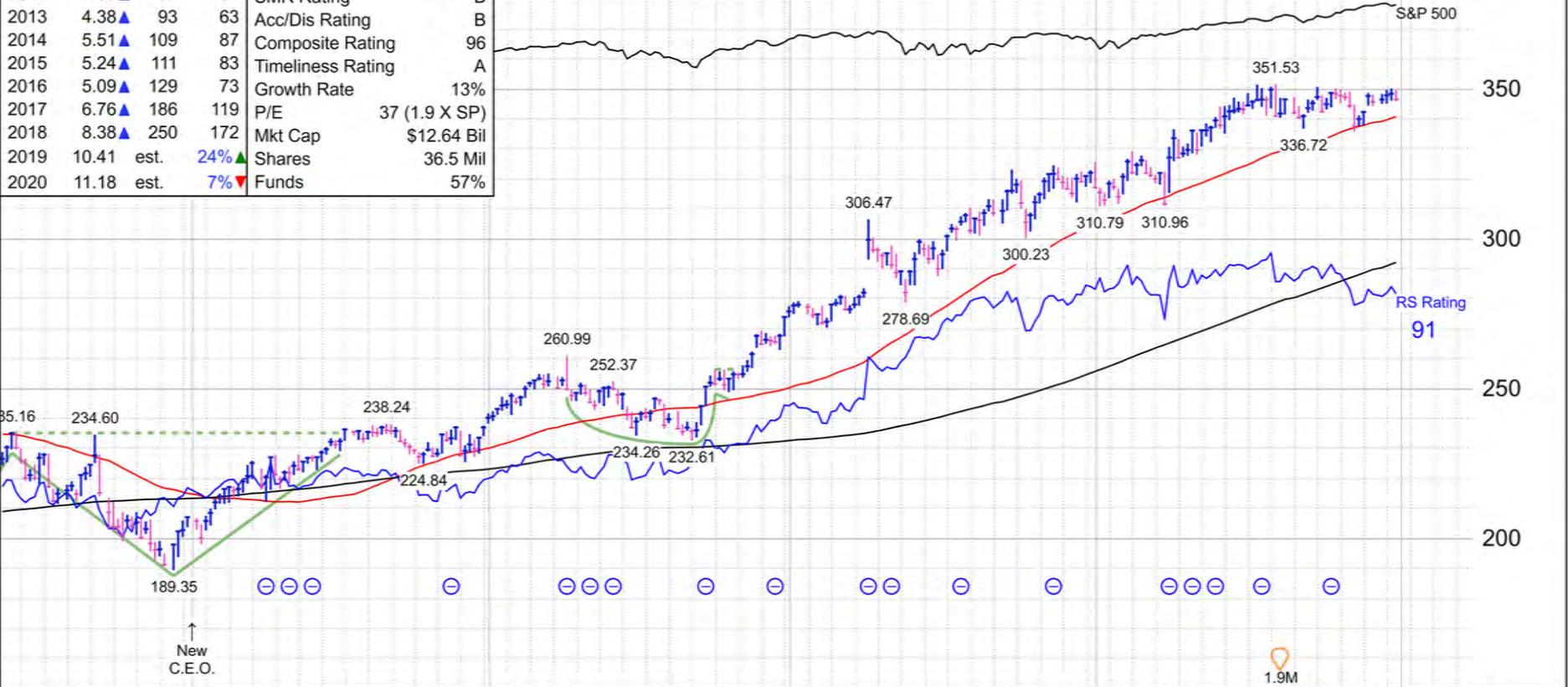
Teledyne Tech Inc

Teledyne Tech Inc (TDY) NYSE Aerospace/Defense Average Daily Volume 295,700
 MANUFACTURES OSCILLOSCOPES, SPECTROMETERS, IMAGE SENSORS, INSTRUMENT MONITOR, AIRCRAFT ENGINES AND COMPONENTS

Volume 109,900 \$346.50 -1.87

www.teledyne.com

Year (Dec)	EPS (\$)	Price(\$) High Low	EPS Rating	91
2012	4.30 ▲	67 54	Group RS Rating	B-
2013	4.38 ▲	93 63	SMR Rating	B
2014	5.51 ▲	109 87	Acc/Dis Rating	B
2015	5.24 ▲	111 83	Composite Rating	96
2016	5.09 ▲	129 73	Timeliness Rating	A
2017	6.76 ▲	186 119	Growth Rate	13%
2018	8.38 ▲	250 172	P/E	37 (1.9 X SP)
2019	10.41 est.	24% ▲	Mkt Cap	\$12.64 Bil
2020	11.18 est.	7% ▼	Shares	36.5 Mil
			Funds	57%



December 31, 2018			March 31, 2019			June 30, 2019			September 30, 2019			EPS Due 1/21*
2.26 ▲	vs 1.79 ▲	+26%	1.94 ▲	vs 1.75 ▲	+11%	2.68	vs 2.23	+20%	2.56 ▲	vs 2.12 ▲	+21%	Earnings (\$)
748.4	vs 704.4	+6%	745.2	vs 695.6	+7%	782.0	vs 732.5	+7%	802.2	vs 725.3	+11%	Sales (\$Mil)
N/A			N/A			N/A			N/A			Div--P/E Range
		22 -- 29			23 -- 27			25 -- 30			28 -- 34	

AEROSPACE

Teledyne Tech Inc

Teledyne Tech Inc (TDY) NYSE Aerospace/Defense

Options Yes
Short Interest 2.3 days -7%

Market Capitalization \$12.64 Billion
Shares in Float 32.8 Million
Shares Outstanding 36.5 Million

Volume 255,100 \$346.50 -1.32
50-Day Avg Volume 295,700
Off 52-Week High -1.4%
52-Week Hi-Lo \$351.53-\$198.15

HEADQUARTERS: Thousand Oaks, CA

PHONE: 805-373-4545

www.teledyne.com

MANUFACTURES OSCILLOSCOPES, SPECTROMETERS, IMAGE SENSORS, INSTRUMENT MONITOR, AIRCRAFT ENGINES AND COMPONENTS

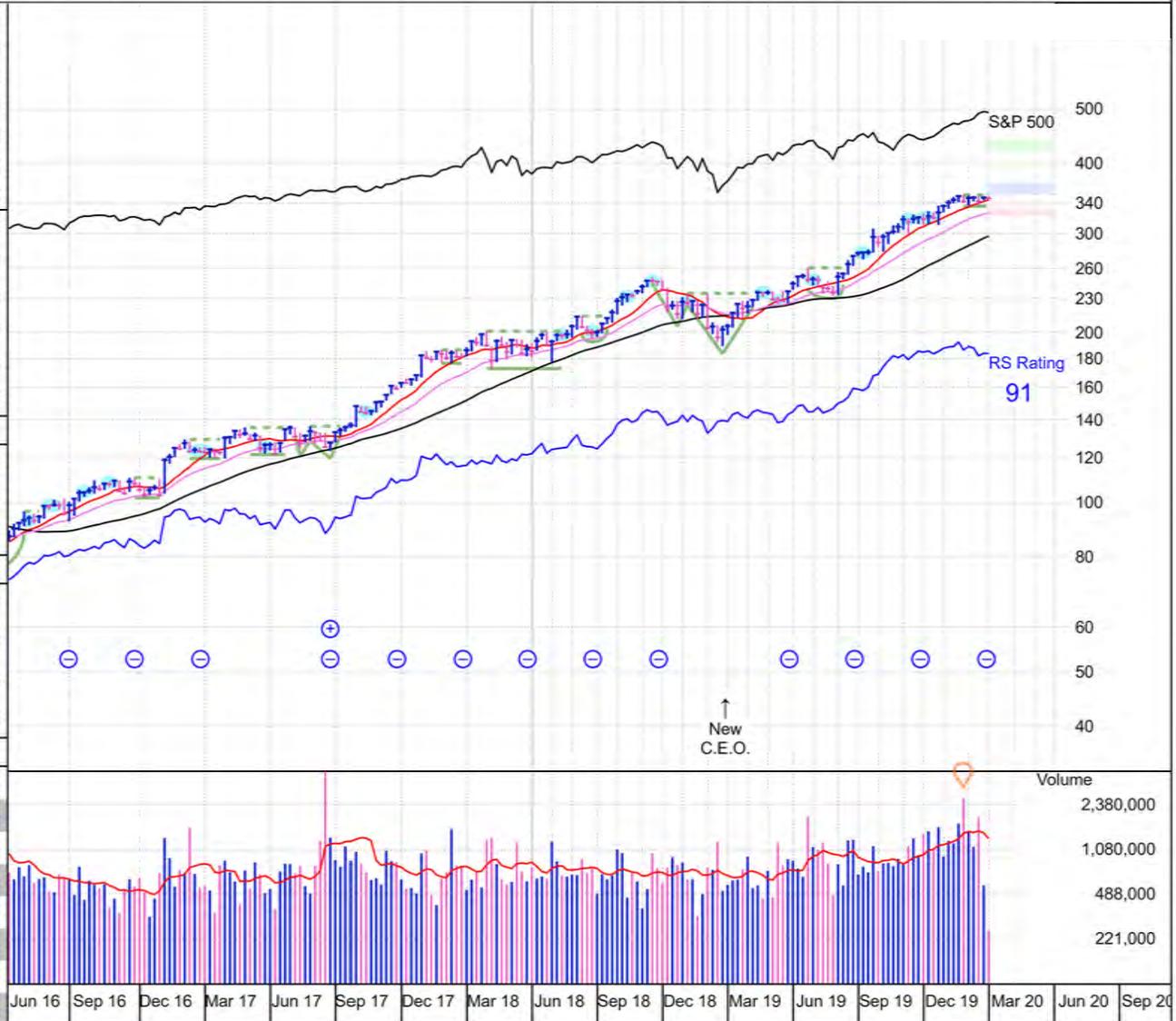
10/23/19 Raised 2019 earnings guidance to \$10.37 to \$10.42 per diluted share

Year (Dec)	EPS (\$)	Price(\$) High Low	EPS Rating	91
2012	4.30▲	67 54	Group RS Rating	59
2013	4.38▲	93 63	SMR Rating	B
2014	5.51▲	109 87	Acc/Dis Rating	B
2015	5.24▲	111 83	Composite Rating	96
2016	5.09▲	129 73	Timeliness Rating	A
2017	6.76▲	186 119	Sponsorship Rating	C
2018	8.38▲	250 172	EPS Growth Rate	13%
2019	10.41 est.	24%▲	Earnings Stability	10
2020	11.18 est.	7%▼	P/E Ratio	37 (1.9 X SP)
			5-Year P/E Range	14-37
			Return on Equity	15%

Yield	NONE	Cash Flow	\$11.72
ExDiv	N/A	Debt	27%
Book Value	X5.70	R&D	N/A
Inventory T/O	7.59X	Alpha	0.11
U/D Vol Ratio	2.5	Beta	0.95
New CEO	01/2019		

Top RS in Grp	Symbol	RS	EPS Rtg	No. of Funds
MaxarTech	MAXR	99	72	Dec-18 571
TransDigm	TDG	93	93	Mar-19 569
Triumph	TGI	92	73	Jun-19 623
Raytheon	RTN	86	82	Jun-19 623
Ducmmun	DCO	85	89	Sep-19 656

Quarterly	EPS(\$)	% Chg	Sales(\$Mil)	% Chg
Dec-17	▲ 1.79	+31%	704.4	+27%
Mar-18	▲ 1.75	+39%	695.6	+23%
Jun-18	▲ 2.23	+28%	732.5	+9%
Sep-18	▲ 2.12	+8%	725.3	+10%
Dec-18	▲ 2.26	+26%	748.4	+6%
Mar-19	▲ 1.94	+11%	745.2	+7%
Jun-19	▲ 2.68	+20%	782.0	+7%
Sep-19	▲ 2.56	+21%	802.2	+11%



TopBuild, Insulated From China Trade War, Holds In Buy Zone

BUILDING



topbuild.com

TopBuild (BLD) is the IBD Stock Of The Day. TopBuild stock is holding in a buy zone following strong earnings from the insulation producer and installer. Building-related stocks are benefiting from plunging interest rates and are relatively insulated from the escalating China trade war.

Last Thursday, the building materials supplier reported a 39% jump in earnings to \$1.43 a share, easily beating analyst estimates for \$1.28. But TopBuild earnings growth has slowed for four straight quarters. Sales rose 9% to \$660.1 million, with gains decelerating for a third quarter.

Still, the results were strong enough to drive TopBuild stock powerfully above a long cup-with-handle base buy point of 87.06.

TopBuild stock fell 1.8% to 87.85 heading into the close on the stock market today, after slightly undercutting the entry intraday.

Keep in mind that with the stock market under pressure and continuing to sell off, investors should be extremely cautious about making any purchases.

TopBuild Stock Technical Analysis

The 14-month base for TopBuild stock was 53% deep. Breakouts from bases that are at least 40% deep are less likely to succeed. However, the handle was well over two

months long, more than sufficient to be considered its own, separate flat base.

The relative strength line for TopBuild stock is at a 52-week high, almost exceeding its June 2018 record highs. The RS line, the blue line in the charts provided, tracks a stock's performance vs. the S&P 500 index. Even with TopBuild stock falling Monday, its RS line climbed.

Other Builder Stocks

TopBuild is ranked No.1 in IBD's Building-Construction Products group, which is No. 36 out of the 197 industries that IBD tracks. Other top stocks in the group include Builders FirstSource (BLDR) and Armstrong World Industries (AWI). Builders FirstSource stock edged up Monday after spiking 12% to a 52-week high on earnings. Armstrong World Industries stock fell 1.2% after reversing sharply lower last week following earnings.

Among homebuilders, industry giant D.R. Horton (DHI) soared on earnings last week and tried to break out, but couldn't close above the 47.12 flat-base entry. D.R. Horton stock retreated 2.7% to 45.75 on Monday.

TopBuild Earnings Record Strong

TopBuild stock has a 97 IBD Composite Rating out of a best-possible 99 and a 99 EPS Rating, according to IBD's Stock Checkup.

Over the last three years, TopBuild earnings have risen an average of 43%, a strong pace. On the revenue side, TopBuild's three-year growth rate is 16%.

Investors generally should look for stocks with sustained earnings and sales growth of at least 25%.

Building Stocks: Shelter In A Trump Tariff Storm

TopBuild and other builder-related stocks are benefiting from plunging interest rates. The Federal Reserve cut interest rates for the first time since 2008 at the end of

July. Treasury yields have plunged as an escalating China trade war raises concerns about the global economy.

But that means lower mortgage rates for homebuyers or for businesses to finance new office space.

Meanwhile, builder stocks aren't very exposed to China as President Donald Trump threatens to impose more tariffs on China over currency manipulation, sparking continued fears of a spiraling trade war.

Still many stocks that appear to have little China exposure are still coming under press. This is not a good time to buy stocks as U.S. indexes extend their losing streak. But investors should be making a watchlist to act on when the market rebounds.

Adapted from an article published on August 5, 2019 in Investor's Business Daily.

Topbuild Corp

Topbuild Corp (BLD) NYSE Bldg-Constr Prds/Misc

Volume 318,300 \$103.18 +0.34

Options Yes
Short Interest 2.4 days +12%

Market Capitalization \$3502.7 Million
Shares in Float 32.9 Million
Shares Outstanding 33.9 Million

50-Day Avg Volume 295,300
Off 52-Week High -9.3%
52-Week Hi-Lo \$113.74-\$43.71

HEADQUARTERS: Daytona Beach, FL

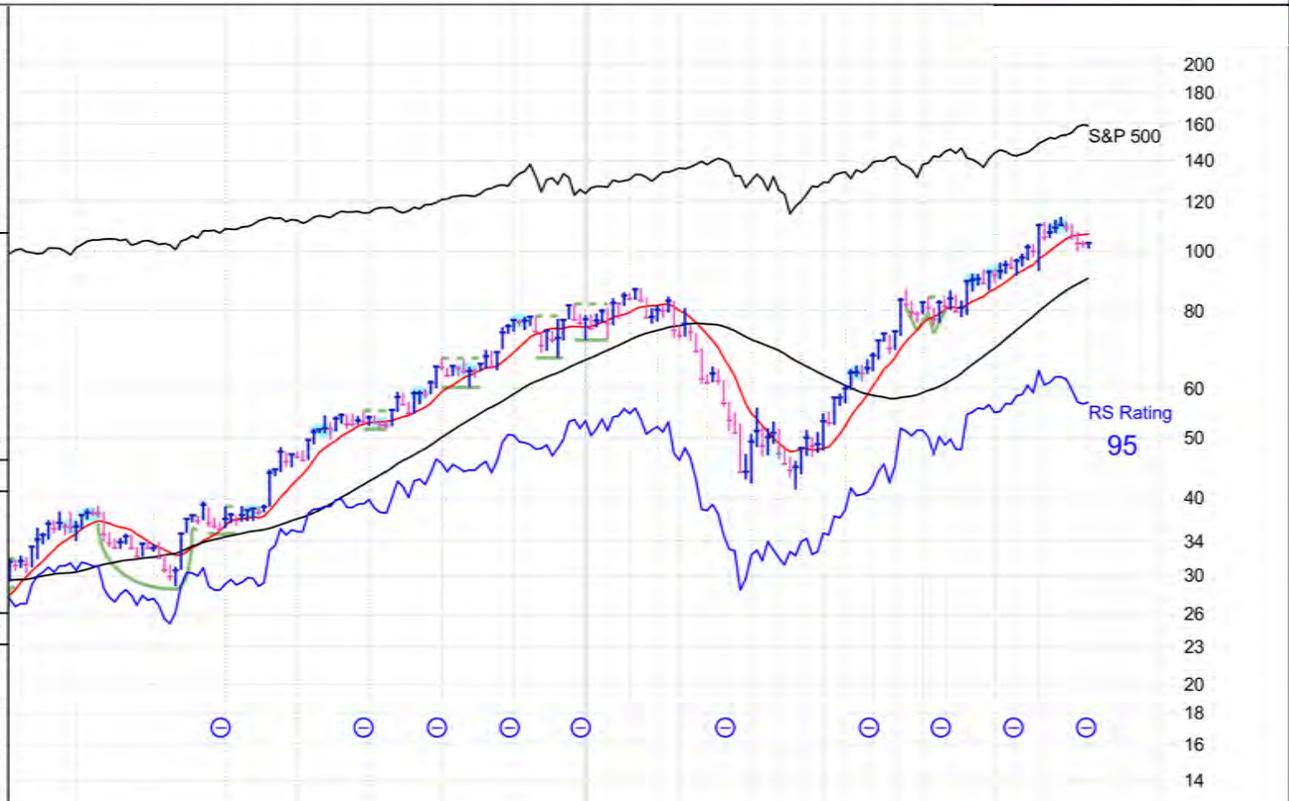
PHONE: 386-304-2200

www.topbuild.com

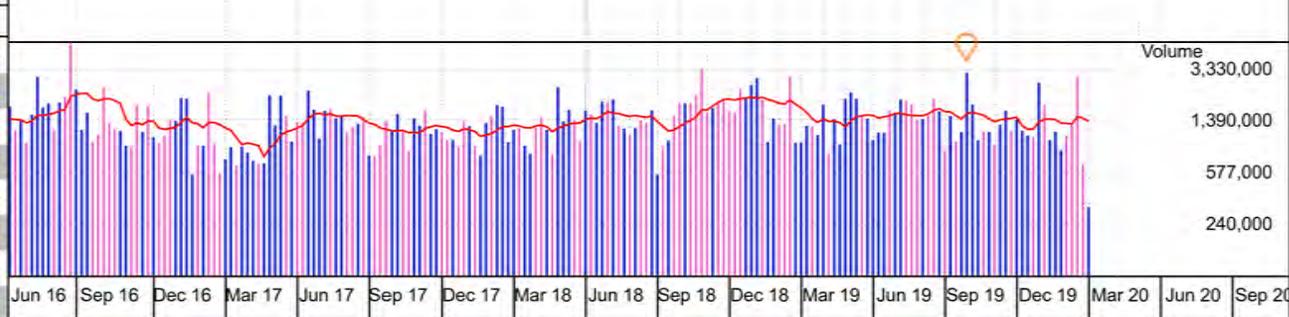
PROVIDES INSULATION INSTALLATION SERVICES TO THE CONSTRUCTION INDUSTRY WITH 200 BRANCHES IN 40 STATES.

10/31/19 Raised 2019 adjusted EBITDA guidance to \$354 mil to \$360 mil

Year (Dec)	EPS (\$)	Price(\$) High Low	EPS Rating	98
2012	-4.05		Group RS Rating	92
2013	-0.30		SMR Rating	B
2014	0.81		Acc/Dis Rating	C+
2015	1.35	36 26	Composite Rating	97
2016	1.96	39 23	Timeliness Rating	A
2017	2.78	76 35	Sponsorship Rating	D
2018	4.19	87 41	EPS Growth Rate	53%
2019	5.43	est. 30%▲	Earnings Stability	21
2020	6.19	est. 14%▼	P/E Ratio	20 (1.0 X SP)
Yield		NONE	5-Year P/E Range	10-29
ExDiv		N/A	Return on Equity	14%
Book Value		X3.25	Cash Flow	\$5.49
Inventory T/O		15.88X	Debt	67%
U/D Vol Ratio		1.0	R&D	N/A
New CEO		N/A	Alpha	0.27
			Beta	0.59
			Ownership	
			Mgmt	2%
			Banks	1%
			Funds	66%
Top RS in Grp	Symbol	RS	EPS Rtg	No. of Funds
Forterra	FRTA	99	40	Dec-18 377
Atkore	ATKR	97	97	Mar-19 404
BldrsFirst	BLDR	97	92	Jun-19 428
JamesHardie	JHX	94	88	Jun-19 428
BMC Stock	BMCH	94	62	Sep-19 460



Quarterly	EPS(\$)	% Chg	Sales(\$Mil)	% Chg
Dec-17	0.84	+42%	501.4	+13%
Mar-18	0.73	+59%	491.4	+11%
Jun-18	1.03	+54%	606.0	+28%
Sep-18	1.23	+48%	647.3	+32%
Dec-18	1.20	+43%	639.6	+28%
Mar-19	1.06	+45%	619.3	+26%
Jun-19	1.43	+39%	660.1	+9%
Sep-19	1.53	+24%	682.3	+5%



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12.31.2019

Trade Desk CEO Jeff Green Codes With Purpose



Andrey_Popov/Shutterstock.com

Trading stocks didn't just make Jeff Green richer. It sparked the idea to build a fast-growing company now valued at \$10 billion and to become the **Trade Desk (TTD)** CEO.

How? Lessons learned buying and selling stocks inspired Green beyond financial markets. He saw how data and analytics could remake other industries, too. And he saw huge opportunity in the online advertising industry.

"Early in my career, I spent some time as a stock trader," Green, 42, told *Investor's Business Daily*. "It struck me then that the advanced systems thinking that had been applied to stock trading, especially program trading, could be applied to other markets."

He was right.

Combine Your Strengths Into A Superpower

Green blended the discipline of a trader with the know-how of a computer programmer to create advertising technology company Trade Desk. And appropriately, a red-hot stock resulted.

Shares of the 10-year-old company shot up more than six times since its IPO in 2016. And Trade Desk is on pace to earn nearly \$100 million this year, up from nothing five years ago. The company helps advertisers buy and place their messages across digital media properties.

He's "one of the legends in digital advertising," said Brian Schwartz, software analyst at Oppenheimer. "He has generated growth for shareholders. More importantly, he has generated growth and high satisfaction for customers. He saw this market evolve 20 years ago, and was the first one to build an online platform for advertising."

What's Green's success tip? He describes himself as a coder with a purpose.

Trade Desk CEO: Think Like A Coder

A coder, or computer programmer, doesn't see problems. They see systems and procedures that can be improved. This kind of thinking can help in any line of work, Green says.

"I've always been a coder, and when you're a coder, you tend to think broadly about how systems operate," he said. He's referring to the coding that software developers use when writing software.

Take that knowledge and put a purpose to it, and you have the ultimate recipe for a CEO's success. "For me, it has always been about working toward something with a purpose," Green said.

Help Others Succeed, Too

Green sees online advertising like a system with many cogs, not one engine. That irks some firms that try to dominate online advertising, analysts say.

In its latest advertising campaign, "Media for the Benefit of Humankind," Trade Desk poked fun at companies that shield customers from the nitty-gritty data of advertising effectiveness.

For Green, putting data in everyone's hands surrounds you with people who share your vision. "They might have different ways of approaching it, which is healthy, but if you don't have a common view of what success looks like, you're never likely to achieve it," Green said.

"My biggest setbacks have been in situations where that vision of success was not clear. This is probably why I have had most success as an entrepreneur, where I'm responsible for bringing a team together to hone that vision."

Ad agencies like him in part because he's not competing with them. Rather, he partners with ad agencies to build what's best for the end user.

"His strategy is to involve the agency as part of the conversation," Michael Levine, equity analyst at Pivotal Research Group, said. Green sees the advertising agencies as an "important strategic channel. And the agencies have nothing but glowing things to say about ... Trade Desk."

Trade Desk CEO: Know Victory Is Never Final

Green needs his steady hand to navigate the next global economic recession.

Shares of Trade Desk turned volatile this year. Profit growth decelerated to 15% in the third quarter. That's down from 58% growth in the third and 44% in the second. "As we've seen ... Trade Desk is still subject to the ups and downs of the advertising industry," Levine said. Shares are down 20% from their 52-week high.

Investors fear what a global recession could mean for Trade Desk and other advertising technology companies. Advertising is one of the first things companies can cut when faced with a recession.

Green's experience will determine if he can avoid the boom-bust cycles of the past. He says he's ready. "No matter how smart I think I am, or how successful my business may become, there are always new things to learn, new perspectives, new ways of looking at challenges," he said.

Adapted from an article published on November 21, 2019 in *Investor's Business Daily*.

The Trade Desk Inc

The Trade Desk Inc Cl A (TTD) NASDAQ Comm Svcs-Advertising

Options Yes
Short Interest 3.5 days -6%

Market Capitalization \$11.72 Bil(\$10.07 Bil)
Shares in Float 38.6 Million
Shares Outstanding 45.1 Mil(39.8 Mil)

Volume 4,845,900 \$259.78 -12.57
50-Day Avg Volume 1,587,900
Off 52-Week High -10.3%
52-Week Hi-Lo \$289.51-\$109.38

HEADQUARTERS: Ventura, CA

PHONE: 805-585-3434

www.thradedesk.com

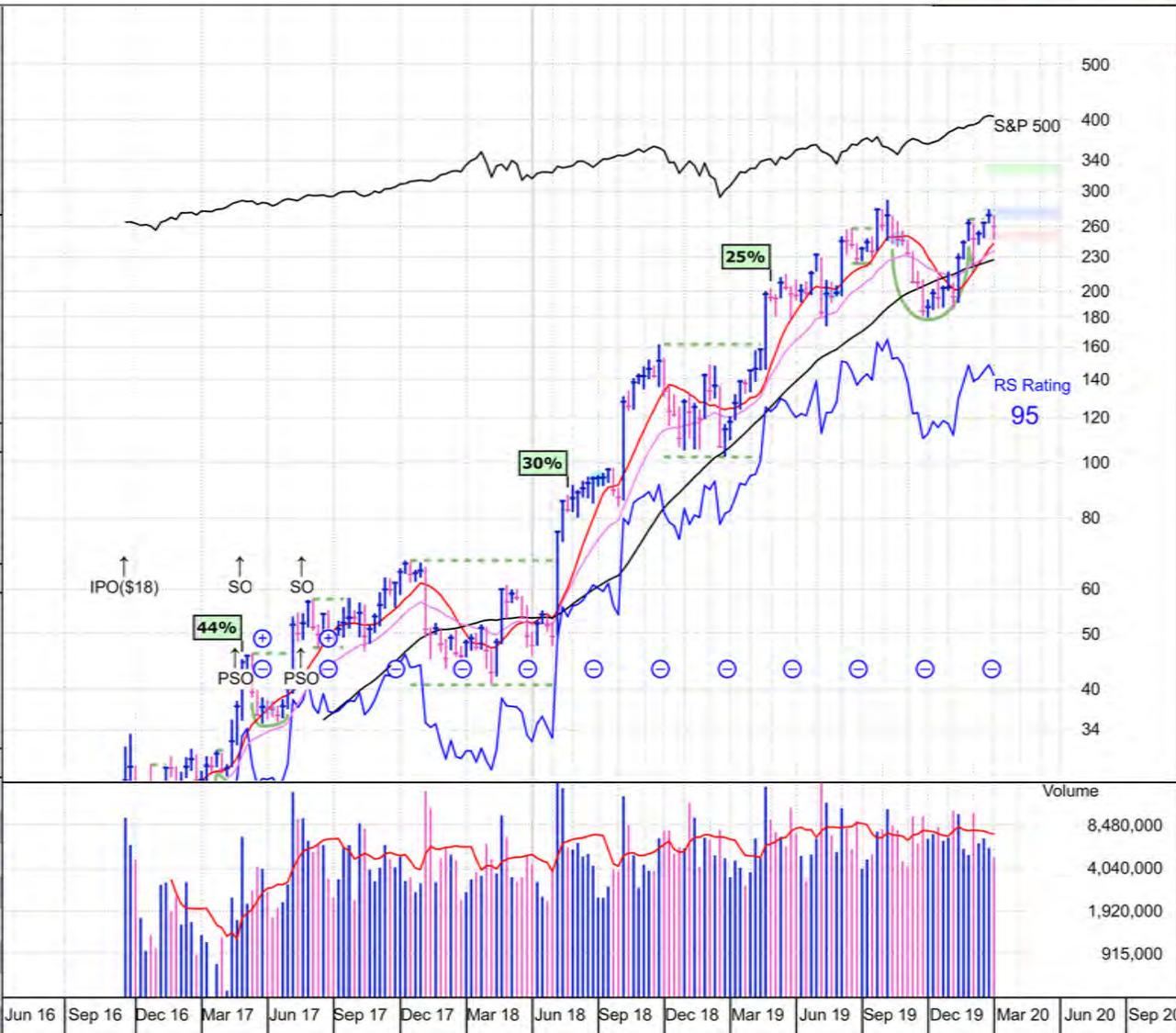
SELF-SERVICE PLATFORM FOR AD BUYERS TO PURCHASE AND MANAGE DATA-DRIVEN DIGITAL ADVERTISING CAMPAIGNS

11/12/19 Paul Ross to retire as CFO

IPO 9/21/2016

Year (Dec)	EPS (\$)	Price(\$) High Low	EPS Rating	98
2012			Group RS Rating	36
2013			SMR Rating	A
2014	0.01		Acc/Dis Rating	A-
2015	0.56		Composite Rating	97
2016	0.87	33 22	Timeliness Rating	B
2017	1.60	67 26	Sponsorship Rating	B
2018	2.70	161 40	EPS Growth Rate	67%
2019	3.34	est. 24%▲	Earnings Stability	9
2020	3.75	est. 12%▼	P/E Ratio	77 (3.9 X SP)
			5-Year P/E Range	23-88
			Return on Equity	39%
Yield	NONE		Cash Flow	\$3.09
ExDiv	N/A		Debt	0%
Book Value	X28.91		R&D	17.6%
Inventory T/O	N/A		Alpha	0.14
U/D Vol Ratio	1.9		Beta	2.31
New CEO	N/A			
Top RS in Grp	Symbol	RS	EPS Rtg	No. of Funds
TechTarget	TTGT	95	97	Dec-18 447
WPP	WPP	81	36	Mar-19 515
LamrAdvrt	LAMR	73	71	Jun-19 575
Viad	VVI	70	69	Jun-19 575
QuinStreet	QNST	67	83	Sep-19 593

Quarterly	EPS(\$)	% Chg	Sales(\$Mil)	% Chg
Dec-17	0.54	+64%	102.7	+42%
Mar-18	0.34	+89%	85.7	+61%
Jun-18	0.60	+15%	112.3	+54%
Sep-18	0.65	+86%	118.8	+50%
Dec-18	1.09	+102%	160.5	+56%
Mar-19	0.49	+44%	121.0	+41%
Jun-19	0.95	+58%	159.9	+42%
Sep-19	0.75	+15%	164.2	+38%



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12.31.2019

Disney IT Services Vendor Up 55% This Year, Still Hitting Fresh Highs



sdecoret/Shutterstock.com

Growing companies are forced to spend on IT services, even in the face of China trade war uncertainties.

Luxembourg-based **Globant (GLOB)** has a highest-possible 99 IBD Composite Rating. The Composite Rating is a blend of key fundamental and technical metrics to help investors gauge the strengths of a company's stock.

Globant shares narrowed losses on Thursday after slipping almost 3% in rising trade. The stock, which has a market value of \$3.2 billion, remained up more than 3% for the week, but had pulled back to less than 20% above a 74.10 breakout point from a flat base, according to IBD MarketSmith chart analysis.

Globant has scrambled more than 55% higher since the start of the year, an advance involving two breakouts from good bases. It is up more than 775% from its July 2014 IPO price.

The company counts **Microsoft (MSFT)** and Google owner **Alphabet (GOOGL)** among its clients. It has moved methodically into new companies and regions, often through acquisitions.

Wedbush says Globant recently managed to displace larger competitors such as **Accenture (ACN)**, gaining accounts including **Facebook (FB)**, **Uber (UBER)**, **MercadoLibre (MELI)** and **Rockwell (ROK)**. Globant's

largest customer, **Walt Disney (DIS)**, trimmed its preferred vendor list from 20 to five, keeping Globant. And Globant sees its Disney footprint expanding in the second half of this year, following the merger with Fox.

Until recently, Wedbush gauged the exposure of Globant to Argentina's inflation rates as one of its biggest risks. But diversification and growth lowered Globant's percentage of employees in Argentina from 70% to 32%. That significantly pared company exposure to Argentina's rising wage costs.

At the same time, the devaluation of Argentina's peso vs. the dollar has lent strength to Globant's balance sheet. The company moved to pay senior personnel in Argentina — who represent only 5% of the workforce, but 40% of the payroll — in U.S. dollars. This helps buttress the peso/dollar effect.

SMAC = Globant Pricing Strength

Spending decisions on digital continue to hinge on the ability to deliver high-end engineering skills rather than pricing, according to Wedbush. The note says out of a global population of three million consultants, only 300,000 have expertise in SMAC (sequential model-based algorithm configuration), a programming tool used to optimize algorithm parameters.

The result, Wedbush says, is pricing power for SMAC-strong players like Globant.

Despite its international stance, Globant saw 78% of 2018 revenue from North America. Europe-based revenue was 9% of its total.

Consensus views for 2019 project a 26% rise in earnings, below Globant's 34.5% average over the past four quarters. It has topped earnings views in three of the past four quarters by margins of more than 20%.

The revenue growth consensus target is 23% — in line with its four-quarter average. The company reports no

long-term debt, and a strong return on equity ratio of 21.2%.

Globant's technical gauges essentially all have strong standing. In addition to its best-possible 99 Composite Rating, the lagging market is helping drive Globant's relative strength line to fresh highs. Its Relative Strength Rating, which rates a stock's performance relative to all the other stocks in the IBD database, is a 98.

Its Accumulation/Distribution Rating is an almost best-possible A-, and its up/down volume ratio is a very strong 1.6. The combination points to continued buying by institutional investors.

Adapted from an article published on May 23, 2019 in *Investor's Business Daily*.

Globant SA

Globant SA (GLOB) NYSE Computer-Tech Services

Market Capitalization \$3897.9 Million
 Shares in Float 34.2 Million
 Shares Outstanding 36.8 Million

Volume 217,500 \$105.92 -2.02
 50-Day Avg Volume 277,000
 Off 52-Week High -5.7%
 52-Week Hi-Lo \$112.33-\$50.91

Options Yes
 Short Interest 5.3 days -2%

HEADQUARTERS: LUXEMBOURG

PHONE:

www.globant.com

LUXEMBOURG PROVIDER OF IT SERVICES WITH 40 CENTERS IN ARGENT INA, URUGUAY, COLOMBIA, BRAZIL, MEXICO, PERU

11/14/19 Expects Q4 2019 adjusted earnings of \$0.58 to \$0.62 per diluted share on revenues of \$182 mil to \$184 mil

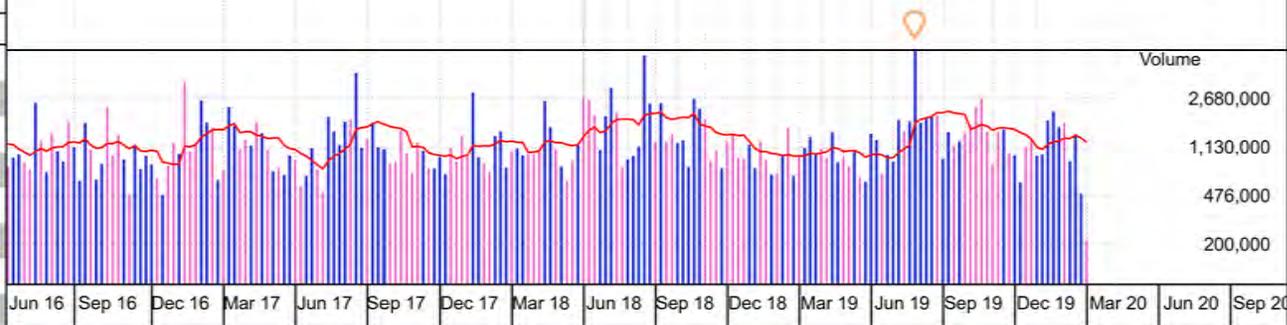
IPO 7/18/2014

Year (Dec)	EPS (\$)	Price(\$) High Low	EPS Rating	97
2012	-0.04		Group RS Rating	81
2013	0.44 ▲		SMR Rating	A
2014	0.77 ▲	15 10	Acc/Dis Rating	C
2015	0.98 ▲	38 13	Composite Rating	99
2016	1.09	47 22	Timeliness Rating	A
2017	1.28	47 30	Sponsorship Rating	C
2018	1.74	66 42	EPS Growth Rate	25%
2019	2.26 est.	30% ▲	Earnings Stability	15
2020	2.80 est.	24% ▼	P/E Ratio	49 (2.5 X SP)
			5-Year P/E Range	15-53
			Return on Equity	21%
			Cash Flow	\$2.34
Yield	NONE		Debt	0%
ExDiv	N/A		R&D	N/A
Book Value	X11.55		Alpha	0.14
Inventory T/O	N/A		Beta	1.37
U/D Vol Ratio	1.4			
New CEO	N/A			



Top RS in Grp	Symbol	RS	EPS Rtg	No. of Funds
Endava A	DAVA	95	97	Dec-18 327
Perficient	PRFT	95	88	Mar-19 350
Sapiens	SPNS	94	69	Jun-19 508
CDW	CDW	93	96	Jun-19 508
Formula	FORTY	93	72	Sep-19 524

Quarterly	EPS(\$)	% Chg	Sales(\$Mil)	% Chg
Dec-17	0.39	+44%	115.4	+32%
Mar-18	0.38	+52%	119.7	+35%
Jun-18	0.40	+54%	127.9	+28%
Sep-18	0.46	+24%	134.6	+23%
Dec-18	0.50	+28%	140.1	+21%
Mar-19	0.50	+32%	146.2	+22%
Jun-19	0.53	+33%	157.5	+23%
Sep-19	0.62	+35%	171.3	+27%



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BUSINESS SERVICES

This Firm Thrives By Hiring Top Tech Talent In Eastern Europe



epam.com

When investors think of information technology services, India's companies often spring to mind. Or, perhaps tech services giants such as Accenture (ACN), IBM (IBM) or Capgemini (CGMY).

Many investors probably have not heard of Newtown, Pa.-based Epam Systems (EPAM). The tech services firm, though, continues to notch annual revenue growth at 25% or higher.

And, many investors may not think of Eastern Europe as a hub for back-office tech services or more specialized product engineering services. Yet Epam has thrived by hiring computer software developers in Eastern Europe.

Most of Epam's offshore centers are located in Belarus, Ukraine, Russia and Hungary. Just as in India, there's plenty of well-educated tech talent available in Eastern Europe. Wages are relatively low.

Besides, India's tech services firms have struggled recently. Companies are outsourcing fewer data-center, customer-support and application-development operations.

Instead, many companies are now looking for competitive gains from digital technology and Big Data analytics. Epam has set itself apart by specializing in custom software development and product engineering services.

"Epam's focus on revenue-generating projects is viewed by customers as a vital lever to transforming their businesses for the digital age," KeyBanc Capital Markets analyst Arvind Ramnani said in a recent note to clients.

Epam Engineering Strength

"The company's engineering foundation continues to see healthy demand given that emerging technologies require a high degree of process re-engineering, system architecture design and data science."

Epam's biggest customer is investment bank UBS. Other clients include Aer Lingus, Alphabet's (GOOGL) Google unit, and General Electric (GE) unit GE Healthcare Science.

Epam rivals are paying attention to its Eastern European operations. India-based Cognizant Technologies (CTSH) and others are setting up shop in Eastern Europe.

So Epam is fighting back by expanding in India, China and Mexico. In 2017, Epam added 6,000 new employees, bringing its workforce to more than 25,000.

Battle For Software Talent

Epam is battling other tech services firms for top software engineering talent, said Chief Executive Arkadiy Dobkin, on its third-quarter earnings call in November. So it's likely to expand to more places.

"We're always looking for new regions, for new talents," Dobkin said. "It's one of the key challenges for everybody in the global market. We're thinking about some additional investments in locations where we have started to improve the quality of talent."

Dobkin co-founded Epam in 1993. Originally the company was called Effective Programming for America.

Dobkin has been Epam's CEO since December 2002. He began his career in Belarus and Russia, where he worked at several software companies.

Consulting Services Expansion

Many of Epam's customers are in the financial services industry. Consumer-focused companies like Coca-Cola (KO) and Adidas (ADDYY) also have been clients.

Epam recently has been targeting the life science, oil-and-gas and automotive industries. Roughly 60% of Epam tech services revenue comes from North America.

"Epam is well-positioned to see its revenue and earnings continue growing at an industry leading 20%-to-25% year-over-year pace," Jefferies analyst Surinder Thind said in a recent report to clients. "The company is benefiting from its focus on delivering complex solutions in the digital applications space, which is experiencing robust, growing demand."

Artificial Intelligence Gains In Tech Services

"Going forward, we expect management to utilize Epam's accumulating cash balance for additional strategic acquisitions to further build out consulting and other capabilities," William Blair analyst Maggie Nolan said in a recent note.

Analyst Moshe Katri at Wedbush Securities says Epam should get a boost as more companies aim to use artificial intelligence in business operations.

"Digital projects continue to evolve around customer engagement, analytics and AI," Katri said in a recent note.

Adapted from an article published on December 6, 2018 in *Investor's Business Daily*.

Epam Systems

Epam Systems Inc (EPAM) NYSE Computer-Tech Services

Options Yes
Short Interest 1.8 days -22%

Market Capitalization \$11.66 Billion
Shares in Float 51.7 Million
Shares Outstanding 55.0 Million

Volume 229,600 \$212.10 -2.29
50-Day Avg Volume 300,800
Off 52-Week High -2.3%
52-Week Hi-Lo \$217.00-\$111.44

HEADQUARTERS: Newtown, PA

PHONE: 267-759-9000

www.epam.com

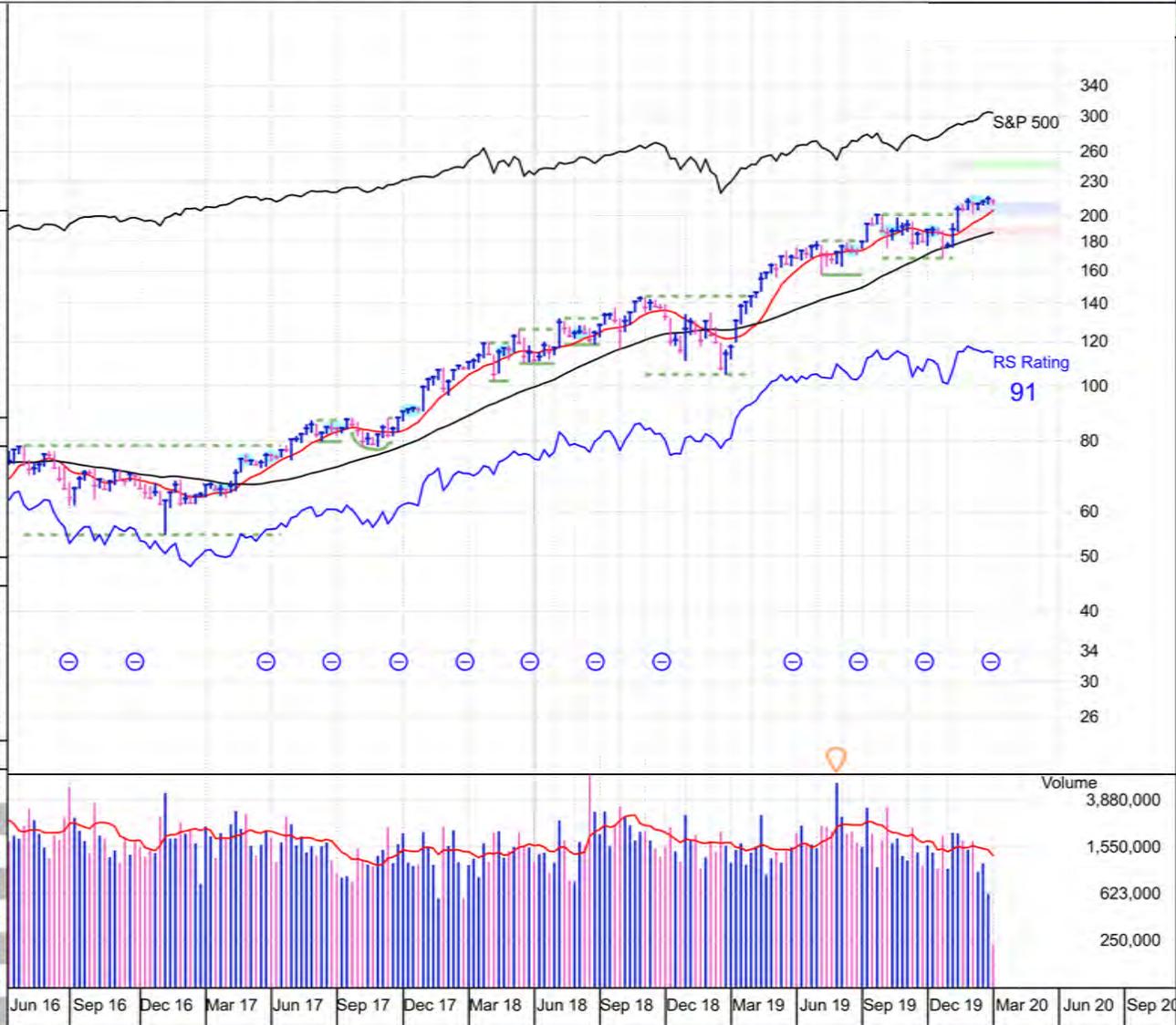
PROVIDER OF OUTSOURCED IT AND LIFECYCLE SOFTWARE DEVELOPMENT SERVICES SUCH AS DESIGN, PROTOTYPING, TESTING

11/07/19 Expects Q4 2019 non-GAAP earnings of about \$1.43 per diluted share on revenues of about \$616 mil

IPO 2/08/2012

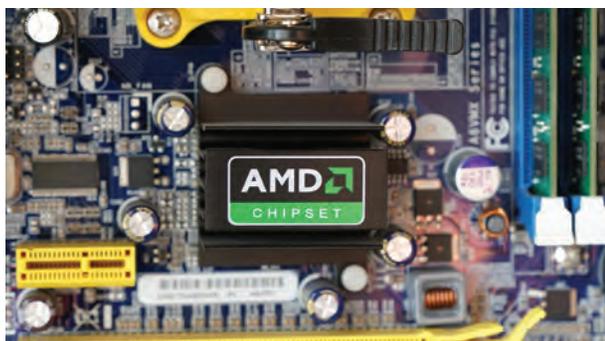
Year (Dec)	EPS (\$)	Price(\$) High Low	EPS Rating	96
2012	1.42	23 13	Group RS Rating	81
2013	1.66	39 18	SMR Rating	A
2014	2.22	52 29	Acc/Dis Rating	B
2015	2.47	84 45	Composite Rating	99
2016	2.90	79 54	Timeliness Rating	A
2017	3.46	109 63	Sponsorship Rating	B
2018	4.38	144 102	EPS Growth Rate	20%
2019	5.36	est. 22%▲	Earnings Stability	4
2020	6.46	est. 21%▲	P/E Ratio	41 (2.1 X SP)
			5-Year P/E Range	19-42
			Return on Equity	22%
			Cash Flow	\$5.11
Yield	NONE		Debt	2%
ExDiv	N/A		R&D	N/A
Book Value	X9.17		Alpha	0.10
Inventory T/O	N/A		Beta	1.47
U/D Vol Ratio	1.2			
New CEO	N/A			
Top RS in Grp	Symbol	RS	EPS Rtg	No. of Funds
Endava A	DAVA	95	97	Dec-18 592
Perficient	PRFT	95	88	Mar-19 615
Sapiens	SPNS	94	69	Jun-19 854
CDW	CDW	93	96	Sep-19 924
Formula	FORTY	93	72	

Quarterly	EPS(\$)	% Chg	Sales(\$Mil)	% Chg
Dec-17	1.01	+31%	399.3	+27%
Mar-18	0.93	+29%	424.2	+31%
Jun-18	1.01	+26%	445.7	+28%
Sep-18	1.17	+27%	468.2	+24%
Dec-18	1.27	+26%	504.9	+26%
Mar-19	1.25	+34%	521.3	+23%
Jun-19	1.28	+27%	551.6	+24%
Sep-19	1.39	+19%	588.1	+26%



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Is AMD Stock A Buy? Here's What Its Stock Chart Shows



Veltman34/Shutterstock.com

Chipmaker **Advanced Micro Devices (AMD)** has staged an amazing turnaround over the past several years, fueled by new products and improved profitability. AMD stock has climbed as a result. But is AMD a buy right now?

AMD competes with Intel (INTC) in making central processing units, or CPUs, for personal computers and servers. It also rivals Nvidia (NVDA) in the market for graphics processing units, or GPUs, for PCs, gaming consoles and data centers.

This year, AMD celebrated the 50th anniversary of its founding in May 1969. It went public in September 1972. AMD shifted to a fabless semiconductor business in March 2009 by spinning off its factories into a joint venture called GlobalFoundries.

Current Chief Executive Lisa Su took the reins in October 2014. She shepherded the Santa Clara, Calif.-based company into a new era with its Ryzen PC processors and Epyc server chips in 2017.

Under her supervision, AMD jumped ahead of Intel in making CPUs at smaller node sizes, giving its products an edge in speed and performance. AMD is now making chips at 7-nanometer scale, while Intel has struggled to make chips at 10-nanometer scale. AMD is now developing chips at 5-nanometer scale. Circuit widths on

chips are measured in nanometers, which are one-billionth of a meter.

AMD Fundamental Analysis

AMD returned to sales and earnings growth in the third quarter after two consecutive down quarters. On a year-over-year basis, AMD earnings rose 38% while sales climbed 9% in the September-ending quarter.

In its third-quarter report on Oct. 29, AMD matched Wall Street's earnings target but came up short on sales. It earned an adjusted 18 cents a share on sales of \$1.8 billion in the September quarter. Analysts expected sales of \$1.83 billion.

Its revenue guidance for the December quarter lagged views. For the fourth quarter, AMD expects to generate sales of \$2.1 billion, up about 48% from the same quarter last year. Wall Street was modeling AMD sales of \$2.16 billion.

Like other chipmakers, AMD has been affected by a cyclical downturn in demand. Along with the rest of the sector, it also faces macroeconomic uncertainty related to the U.S.-China trade war.

Chipmaker Breaks Out Following In-Line Earnings Report

AMD matched Wall Street's targets for earnings in the third quarter, though its sales were a hair light. Also, its guidance for the current quarter modestly lagged views.

The chipmaker earned an adjusted 18 cents a share, up 38% year over year, in the September quarter. Sales climbed 9% to \$1.8 billion. AMD returned to growth after two straight down quarters for sales and earnings.

For the fourth quarter, AMD expects to generate sales of \$2.1 billion, up about 48% from the same quarter last year. Wall Street was modeling AMD sales of \$2.16 billion, according to Zacks Investment Research.

Wall Street analysts were largely positive about AMD's third-quarter report. CFRA Research analyst Angelo Zino upgraded AMD stock to buy from hold on the news. He also raised his 12-month price target to 40 from 35.

He sees AMD gaining market share vs. Intel (INTC) in chips for servers in cloud data centers. Zino also believes AMD will get higher prices for its PC chips.

"We see increasing momentum for CPU/GPU offerings on AMD's next-generation 7-nanometer technology," he said in a note to clients.

AMD Teaming With Foundry TSMC

Jefferies analyst Mark Lipacis says the gains AMD is making against rival Intel are sustainable.

"Bears argue that AMD cannot compete with Intel on a sustained basis, due to the difference in scale and resources," Lipacis said in his report to clients. "We think it is important to consider that, as a fabless company, AMD is not working alone, it is working with TSMC (TSM), which is doing the heavy lifting on developing the next process node."

And TSMC's customers — including Apple (AAPL), Nvidia (NVDA), Xilinx (XLNX) and Qualcomm (QCOM) — are effectively funding development of smaller manufacturing process nodes, he says.

So, instead of thinking "Intel vs. AMD," investors should think of it as "Intel vs. AMD plus TSMC and its customers," he said.

Adapted from articles published on November 4 and December 10, 2019 in Investor's Business Daily.

Advanced Micro Devices

Advanced Micro Devices (AMD) NASDAQ Elec-Semiconductor Fablls

Options Yes
Short Interest 1.8 days -3%

Market Capitalization \$51.07 Billion
Shares in Float 1013.4 Million
Shares Outstanding 1113.6 Million

Volume 72,654,100 \$45.86 -0.32
50-Day Avg Volume 53,350,700
Off 52-Week High -3.1%
52-Week Hi-Lo \$47.31-\$16.94

HEADQUARTERS: Santa Clara, CA

PHONE: 408-749-4000

www.amd.com

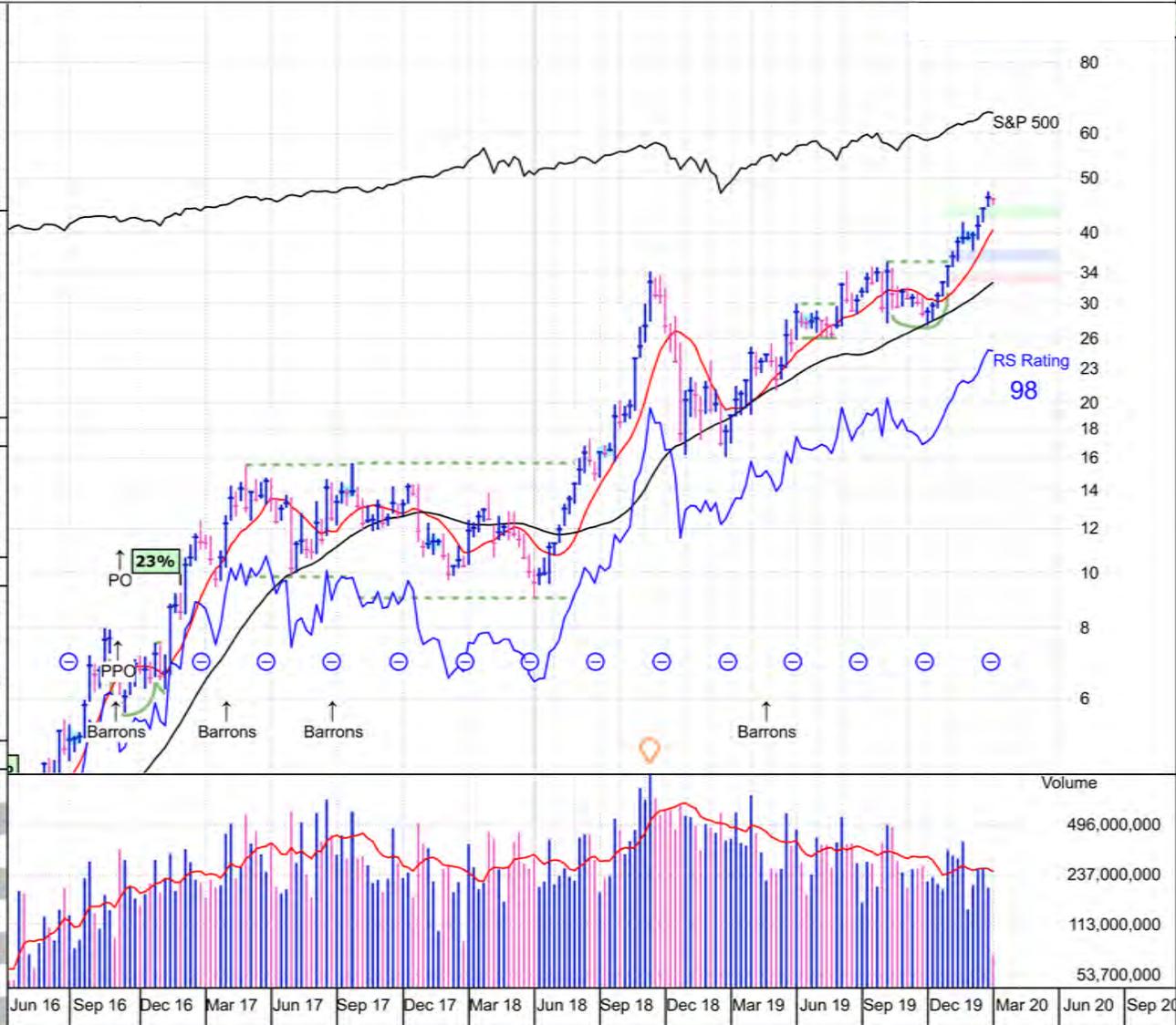
DESIGNS MICROPROCESSORS, EMBEDDED MEDIA/GRAPHICS PROCESSORS AND CHIPSETS FOR COMPUTERS AND CONSUMER DEVICES.

10/24/18 Expects Q4 2018 revenues of about \$1.45 bil

IPO 9/27/1972

Year (Dec)	EPS (\$)	Price(\$) High Low	EPS Rating	38
2012	-0.16	8 1	Group RS Rating	97
2013	-0.11	4 2	SMR Rating	C
2014	0.16	4 2	Acc/Dis Rating	A-
2015	-0.54	3 1	Composite Rating	90
2016	-0.14	12 1	Timeliness Rating	B
2017	0.10	15 9	Sponsorship Rating	B
2018	0.46	34 9	EPS Growth Rate	N/A
2019	0.62 est.	35% ▼	Earnings Stability	N/A
2020	1.10 est.	77% ▲	P/E Ratio	114 (5.7 X SP)
Yield NONE			5-Year P/E Range	26-737
ExDiv	4/27/95		Return on Equity	55%
Book Value	X40.04		Cash Flow	\$0.72
Inventory T/O	8.41X		Debt	88%
U/D Vol Ratio	2.0		R&D	22.1%
New CEO	10/2014		Alpha	0.14
			Beta	2.63
Top RS in Grp	Symbol	RS	EPS Rtg	No. of Funds
Cirrus	CRUS	98	85	Dec-18 1422
LatticeSemi	LSCC	96	98	Mar-19 1587
Inphi	IPHI	96	94	Jun-19 1673
Sitime	SITM	95	41	Jun-19 1673
Nvidia	NVDA	94	69	Sep-19 1771

Quarterly	EPS(\$)	% Chg	Sales(\$Mil)	% Chg
Dec-17	0.01	#+200%	1340.0	+21%
Mar-18	0.11	+999%	1647.0	+40%
Jun-18	0.14	#+999%	1756.0	+53%
Sep-18	0.13	+44%	1653.0	+4%
Dec-18	0.08	+700%	1419.0	+6%
Mar-19	0.06	-45%	1272.0	-23%
Jun-19	0.08	-43%	1531.0	-13%
Sep-19	0.18	+38%	1801.0	+9%



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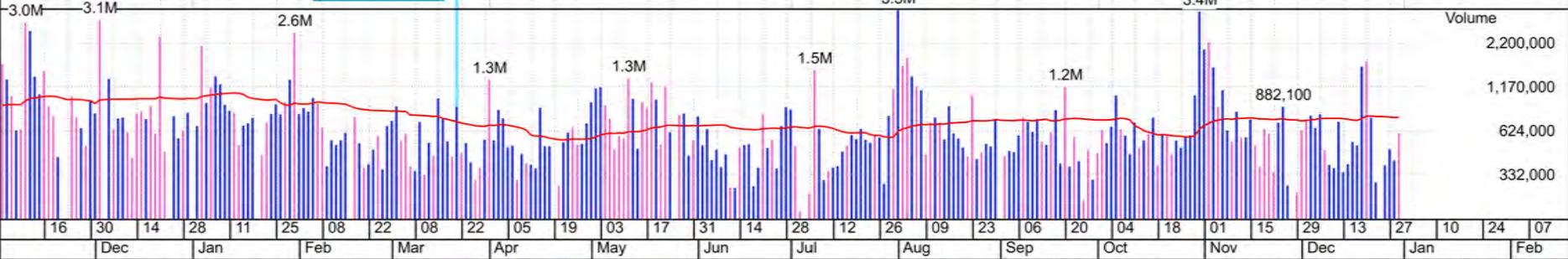
Cirrus Logic Inc

Cirrus Logic Inc (CRUS) NASDAQ Elec-Semiconductor Fablss Average Daily Volume 755,100
 DESIGNS ANALOG/MIXED-SIGNAL ICS AND EMBEDDED SOFTWARE FOR AU DIO AND INDUSTRIAL/ENERGY MARKETS.

Volume 605,400 \$82.41 -0.95

www.cirrus.com

Year (Mar)	EPS (\$)	Price(\$) High Low	EPS Rating	85
2013	3.24	31 16	Group RS Rating	A+
2014	2.69	25 16	SMR Rating	C
2015	2.67	38 22	Acc/Dis Rating	A
2016	2.40	60 25	Composite Rating	96
2017	4.49	71 48	Timeliness Rating	A
2018	4.27	55 31	Growth Rate	7%
2019	2.64	83 31	P/E	26 (1.3 X SP)
2020	3.39	est. 28%▲	Mkt Cap	\$4763.2 Mil
2021	3.41	est. 1%▲	Shares	57.8 Mil
			Funds	53%



December 31, 2018			March 31, 2019			June 30, 2019			September 30, 2019			EPS Due 1/28*
0.91	vs 1.59	-43%	0.37	vs 0.51	-27%	0.35	vs 0.28	+25%	1.55	vs 1.08	+44%	Earnings (\$)
324.3	vs 482.7	-33%	240.4	vs 303.2	-21%	238.3	vs 254.5	-6%	388.9	vs 366.3	+6%	Sales (\$Mil)
N/A			N/A			N/A			N/A			Div--P/E Range

CHIPS

Cirrus Logic Inc

Cirrus Logic Inc (CRUS) NASDAQ Elec-Semiconductor Fablss

Volume 1,013,300 \$82.41 -0.95

Options Yes
Short Interest 6.0 days -3%

Market Capitalization \$4763.2 Million
Shares in Float 56.1 Million
Shares Outstanding 57.8 Million

50-Day Avg Volume 755,100
Off 52-Week High -1.4%
52-Week Hi-Lo \$83.60-\$31.25

HEADQUARTERS: Austin, TX

PHONE: 512-851-4000

www.cirrus.com

DESIGNS ANALOG/MIXED-SIGNAL ICS AND EMBEDDED SOFTWARE FOR AU DIO AND INDUSTRIAL/ENERGY MARKETS.

10/30/19 Expects Q3 FY20 revenues of \$ 325 mil to \$365 mil

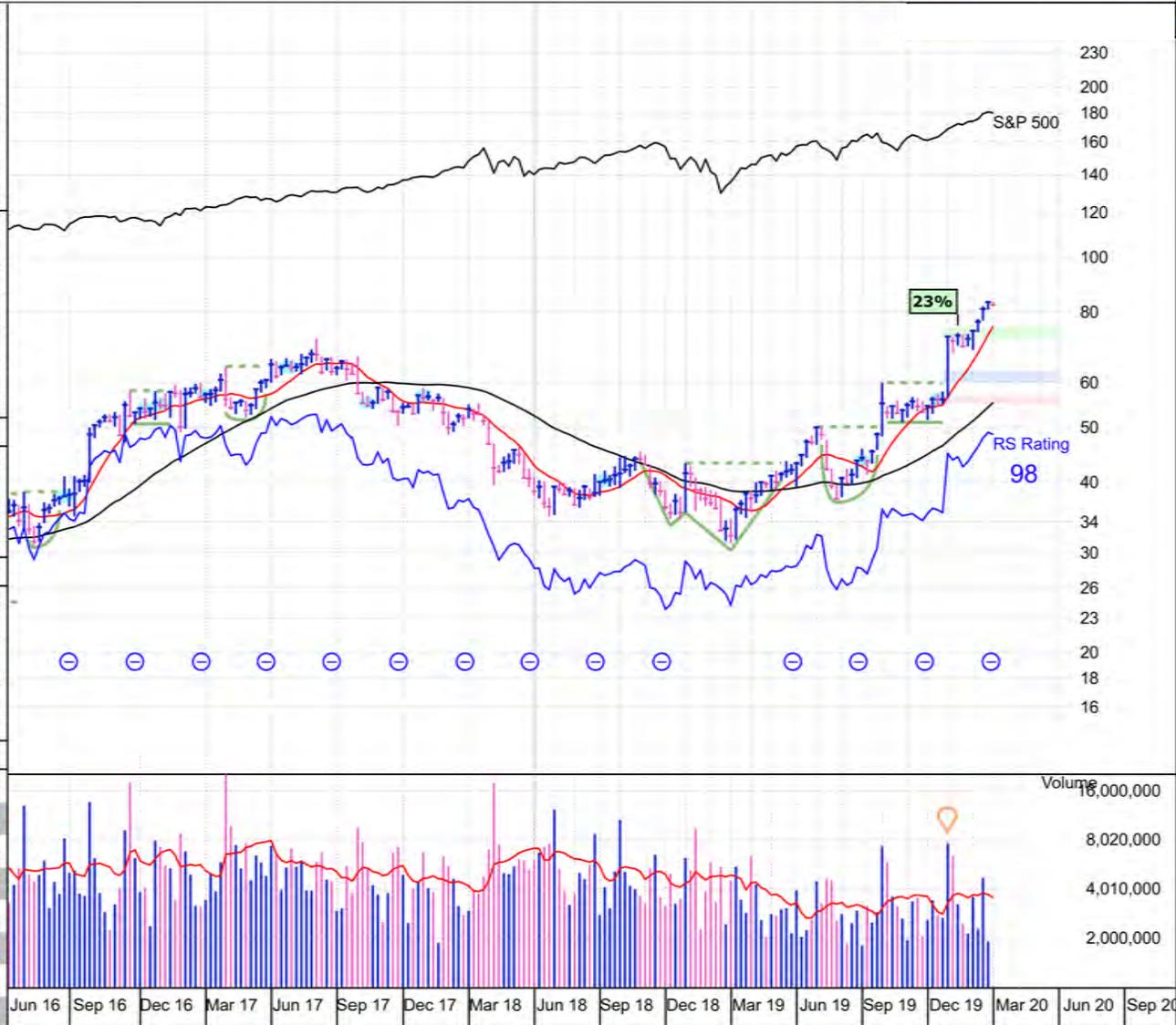
IPO 6/08/1989

Year	EPS (\$)	Price(\$) High Low	EPS Rating	RS Rating
2013	3.24	31 16	85	97
2014	2.69	25 16	C	97
2015	2.67	38 22	A	96
2016	2.40	60 25	A	96
2017	4.49	71 48	A	96
2018	4.27	55 31	7%	96
2019	2.64	83 31	26	96
2020	3.39	est. 28%▲	26 (1.3 X SP)	96
2021	3.41	est. 1%▲	8-26	96

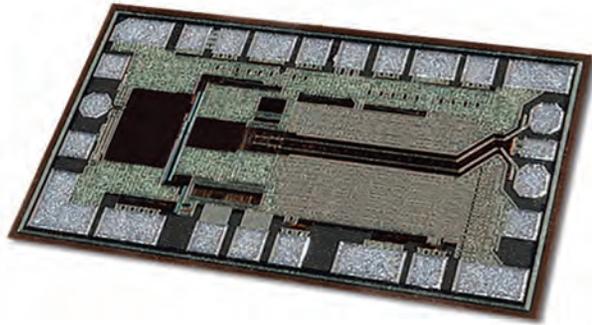
Yield	NONE	Return on Equity	14%
ExDiv	N/A	Cash Flow	\$3.42
Book Value	X4.23	Debt	0%
Inventory T/O	6.40X	R&D	31.6%
U/D Vol Ratio	2.2	Alpha	0.24
New CEO	05/2007	Beta	1.48

Top RS in Grp	Symbol	RS	EPS Rtg	No. of Funds
AdvaMcrrDv	AMD	98	38	Dec-18 579
LatticeSemi	LSCC	96	98	Mar-19 537
Inphi	IPHI	96	94	Jun-19 556
Sitime	SITM	95	41	Jun-19 556
Nvidia	NVDA	94	69	Sep-19 597

Quarterly	EPS(\$)	% Chg	Sales(\$Mil)	% Chg
Dec-17	1.59	-15%	482.7	-8%
Mar-18	0.51	-40%	303.2	-8%
Jun-18	0.28	-65%	254.5	-21%
Sep-18	1.08	-21%	366.3	-14%
Dec-18	0.91	-43%	324.3	-33%
Mar-19	0.37	-27%	240.4	-21%
Jun-19	0.35	+25%	238.3	-6%
Sep-19	1.55	+44%	388.9	+6%



Big Data Stocks To Watch: Inphi Nears New Buy Point On 133% Growth



inphi.com

After jumping 32% in just six weeks, Big Data stock Inphi (IPHI) is setting up a potential new buy point. Plus, 133% earnings growth last quarter makes the Silicon Valley-based company one of today's top stocks to watch.

Inphi joined the IBD Breakout Stocks Index on June 25 as it was forming a cup with handle base.

Tapping into the explosive expansion in data and traffic, Inphi is driving growth in cloud services, Big Data, IoT, artificial intelligence, autonomous vehicles, and augmented reality.

Among fabless semiconductor stocks, Inphi and Mellanox Technologies (MLNX) share the No. 1 ranking with the highest-possible 99 Composite Rating. The other top leaders in the industry group include Monolithic Power Systems (MPWR), Lattice Semiconductor (LSCC), and Alpha & Omega Semiconductor (AOSL).

The industry group ranks No. 14 among the 197 groups IBD tracks.

Inphi Leads Big Data Stocks To Watch

Inphi's fundamental growth has been erratic, but on the rise in recent quarters. After a string of quarters showing declining earnings growth, the Big Data company has delivered EPS gains ranging from 22% to 760%. (Note that

Inphi's Q1 increase of 760% was based on a prior-year comparison that showed a loss.)

Institutional investors have taken note of the shift. The company has posted four quarters of rising fund ownership, and its up/down volume ratio is 2.0, a clear sign of demand.

For the full year, analysts are looking for a 73% spike in earnings, followed by a 37% rise in 2020.

Inphi Blasts Off On Third-Quarter Earnings Beat

Inphi beat Wall Street's targets for the third quarter and guided higher for the fourth quarter. The Inphi earnings news sent its stock sharply higher in extended trading.

The Santa Clara, Calif.-based company earned an adjusted 45 cents a share on sales of \$94.2 million in the September quarter. Analysts expected it to earn 37 cents a share on sales of \$89 million, according to Zacks Investment Research. On a year-over-year basis, Inphi earnings jumped 50% while sales climbed 21%.

The maker of high-speed data movement connections credited strong demand for long haul, metro and data-center products for its better-than-expected sales.

"We are very pleased to have exceeded the high end of our revenue and EPS guidance in Q3, delivering record results driven by strength in both Cloud and Telecom," Chief Executive Ford Tamer said in a news release.

Inphi Earnings Guidance Tops Views

For the current quarter, Inphi expects to earn 45 cents a share on sales of \$99.8 million. That's based on the midpoint of its guidance. Wall Street was modeling Inphi earnings of 42 cents a share on sales of \$96 million in the December quarter, Zacks said.

Inphi stock surged 8.5% higher, near 64.50, in after-hours trading on the stock market today. During the regular session, Inphi stock dipped 0.5% to 59.44.

Inphi stock has been under selling pressure following a failed breakout. On Oct. 15, it hit a buy point of 64.85 from a third-stage, double-bottom base. It reversed the next day and soon triggered a sell rule by falling 8% below the buy point.

Adapted from articles published on September 18 and October 29, 2019 in *Investor's Business Daily*.

Inphi Corp

Inphi Corp (IPHI) NYSE Elec-Semiconductor Fabllss

Options Yes
Short Interest 5.2 days +9%

Market Capitalization \$3379.7 Million
Shares in Float 38.8 Million
Shares Outstanding 45.7 Million

Volume 754,100
50-Day Avg Volume 832,100
Off 52-Week High -4.7%
52-Week Hi-Lo \$77.67-\$29.56

HEADQUARTERS: Santa Clara, CA

PHONE: 408-217-7300

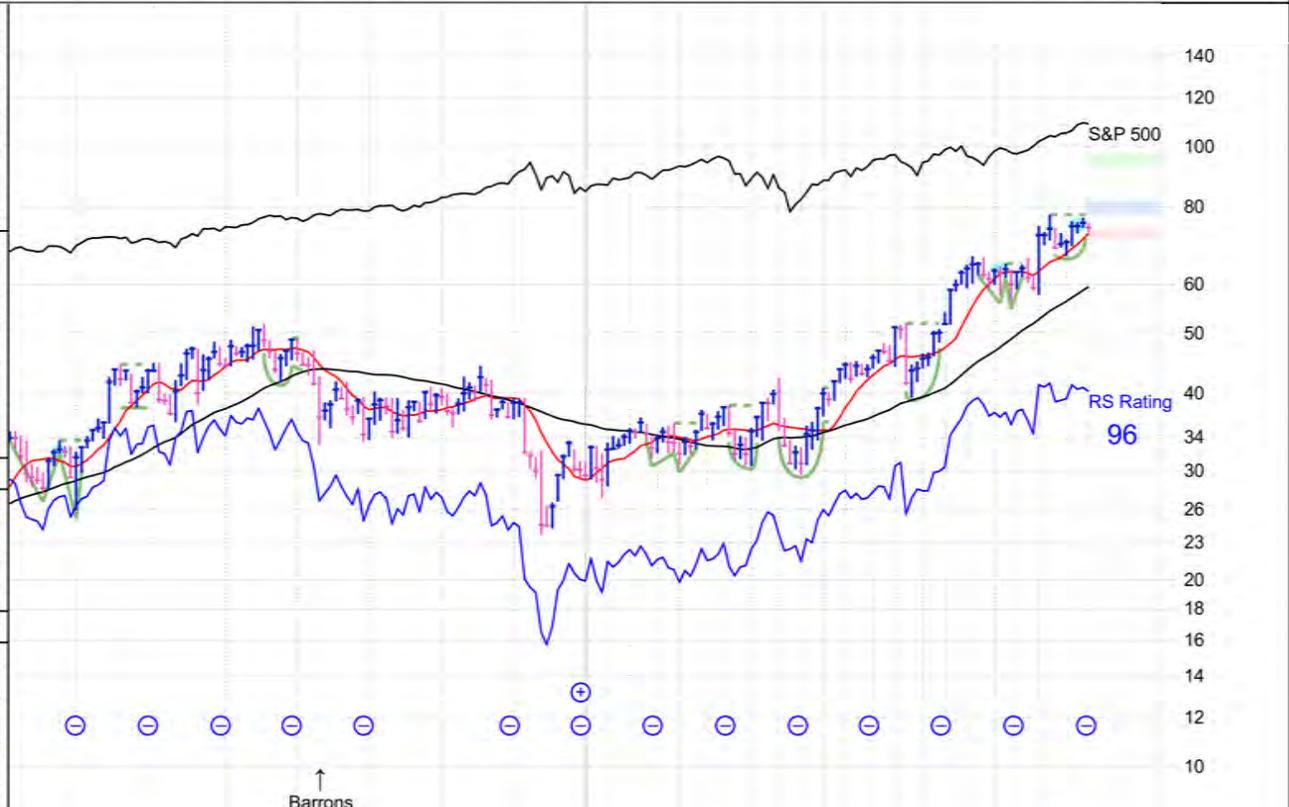
www.inphi.com

DESIGNS ANALOG MULTIPLEXERS, ENCODERS, AMPLIFIERS AND MEMORY BUFFERS FOR SERVERS, ROUTERS AND

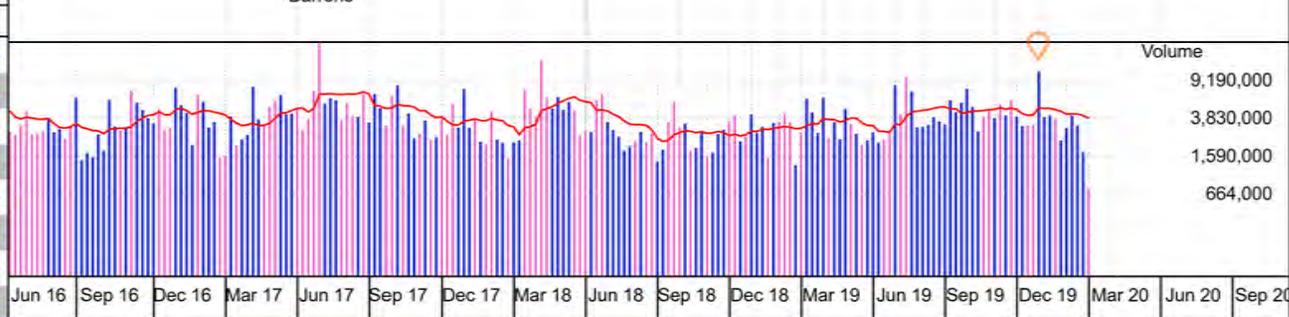
11/11/19 To acquire eSilicon, provides FinFET ASICs/market-specific IP and 2.5D packaging, for \$216 mil in cash/debt

IPO 11/11/2010

Year (Dec)	EPS (\$)	Price(\$) High Low	EPS Rating	94
2012	0.17	16 7	Group RS Rating	97
2013	0.13	14 7	SMR Rating	B
2014	0.62	19 10	Acc/Dis Rating	A-
2015	0.92	32 17	Composite Rating	98
2016	1.51	48 22	Timeliness Rating	A
2017	1.52	51 33	Sponsorship Rating	C
2018	0.86	42 23	EPS Growth Rate	15%
2019	1.59	est. 85%▲	Earnings Stability	38
2020	2.09	est. 31%▼	P/E Ratio	47 (2.4 X SP)
Yield	NONE		5-Year P/E Range	19-50
ExDiv	N/A		Return on Equity	10%
Book Value	X9.29		Cash Flow	\$1.72
Inventory T/O	9.09X		Debt 122%	Ownership
U/D Vol Ratio	1.3		R&D 57.0%	Mgmt 3%
New CEO	02/2012		Alpha 0.22	Banks 0%
			Beta 1.32	Funds 84%
Top RS in Grp	Symbol	RS	EPS Rtg	No. of Funds
Cirrus	CRUS	98	85	Dec-18 328
AdvaMcrDv	AMD	98	38	Mar-19 367
LatticeSemi	LSCC	96	98	Jun-19 391
Sitime	SITM	95	41	Sep-19 421
Nvidia	NVDA	94	69	



Quarterly	EPS(\$)	% Chg	Sales(\$Mil)	% Chg
Dec-17	0.37	-21%	85.7	+6%
Mar-18	-0.05	N/A	60.1	-36%
Jun-18	0.15	-57%	69.8	-17%
Sep-18	0.30	-17%	78.0	-8%
Dec-18	0.45	+22%	86.5	+1%
Mar-19	0.33	#+760%	82.2	+37%
Jun-19	0.35	+133%	86.3	+24%
Sep-19	0.45	+50%	94.2	+21%



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12.31.2019

Teradyne Stock Reaps Rewards From Chip Rebound, 5G, Robots



teradyne.com

Chip equipment supplier **Teradyne (TER)** has seen its fortunes rise as the semiconductor market shows signs of recovering from its current down cycle. Now, Teradyne stock is flirting with a buy point.

The North Reading, Mass.-based company saw its shares jump after it posted better-than-expected second-quarter results on July 23.

In the June quarter, Teradyne earned an adjusted 66 cents a share on sales of \$564 million. On a year-over-year basis, earnings rose 12% while sales climbed 7%. Analysts expected it to earn 62 cents a share on sales of \$538 million, according to Zacks Investment Research.

Despite the current down cycle in the chip industry, Teradyne continues to post year-over-year growth in sales and earnings this year. In addition to advanced test systems for semiconductors, wireless devices and other electronics, Teradyne sells industrial automation systems.

For the current quarter, Wall Street expects Teradyne to earn 70 cents a share on sales of \$565 million, Zacks said. That would translate to a drop of 1% in earnings on roughly flat sales.

Teradyne Stock: A Business More Diversified Than Others

Unlike many chip equipment suppliers, Teradyne's business is fairly diversified. In the second quarter, semiconductor

test equipment sales related to 5G infrastructure, networking and memory chips boosted Teradyne's results. Those sales helped offset lower demand from automotive and industrial device makers.

About 66% of Teradyne's revenue came from its semiconductor test equipment business in the second quarter.

Its second-largest business is industrial automation, accounting for 13% of sales in the second quarter. The industrial automation unit sells collaborative robots — known as cobots — branded Universal Robots and MiR. The company also sells testing gear for wireless devices and electronics systems.

"They have quite a bit of diversification," Cowen analyst Krish Sankar told Investor's Business Daily. "On the semiconductor test side, they are exposed to **Apple (AAPL)**, China 5G (infrastructure buildout) and auto and industrial."

"The semiconductor test business is doing fine and that historically has been the company's cash cow," Sankar said. That business has been helping to fund its robotics business, which has boosted the company's stock multiple, he said.

Still, Sankar thinks Teradyne stock is nearly fully valued at current levels. He rates it as market perform with a price target of 60.

Bin-Picking Robot Due For Release Later This Year

One particular challenge for Teradyne is growing competition in the factory robot business from low-cost Chinese rivals. Teradyne's "cobot" robotic arm systems sell for \$20,000 to \$40,000 while Chinese knockoffs cost \$3,000 to \$5,000. But the cheap rival products have lower reliability and subpar software, Sankar said.

Teradyne's cobot business has a long-term compound annual growth rate of 35% to 40%, but might slow to the 20% to 30% range this year, Sankar said. Reduced demand

from automotive manufacturers in North America and Europe is to blame for the slowing growth, he said.

Meanwhile, Teradyne is expected to release a warehouse bin-picking robot later this year, Susquehanna Financial Group analyst Mehdi Hosseini said in a note to clients. That should increase the company's total addressable market in the robotics space, he said.

D.A. Davidson analyst Thomas Diffely said Teradyne will benefit from the multiyear buildout of 5G wireless communications systems. In a report, he called it "an enormous opportunity" that is split into four phases.

The first phase is the infrastructure buildout for systems using radio frequencies below six gigahertz. Second is the ramp of handsets operating in the sub-six-gigahertz bands. Third is infrastructure buildout for 5G systems using millimeter wave, or mmWave, frequencies. And fourth is the rollout of handsets to support mmWave frequencies.

Teradyne Stock Tied For First In Industry Group

Teradyne stock is tied with **KLA (KLAC)** for first place in IBD's Electronics-Semiconductor Equipment industry group, according to the IBD Stock Checkup. Both stocks have an IBD Composite Rating of 98, meaning they have outperformed 98% of stocks in key metrics over the past 12 months.

Trade group Semi projects that global sales of semiconductor manufacturing equipment will drop 18.4% to \$52.7 billion in 2019 from last year's historic high of \$64.5 billion. Semi forecasts the industry to return to growth next year. It sees chip gear sales rising 11.6% to \$58.8 billion in 2020.

Adapted from an article published on September 19, 2019 in *Investor's Business Daily*.

Teradyne Inc

Teradyne Inc (TER) NASDAQ Elec-Semiconductor Equip

Volume 1,865,600 \$68.19 -0.95

Options Yes
Short Interest 5.4 days +13%

Market Capitalization \$11.43 Billion
Shares in Float 165.9 Million
Shares Outstanding 167.6 Million

50-Day Avg Volume 2,145,900
Off 52-Week High -2.4%
52-Week Hi-Lo \$69.90-\$29.58

HEADQUARTERS: North Reading, MA

PHONE: 978-370-2700

www.teradyne.com

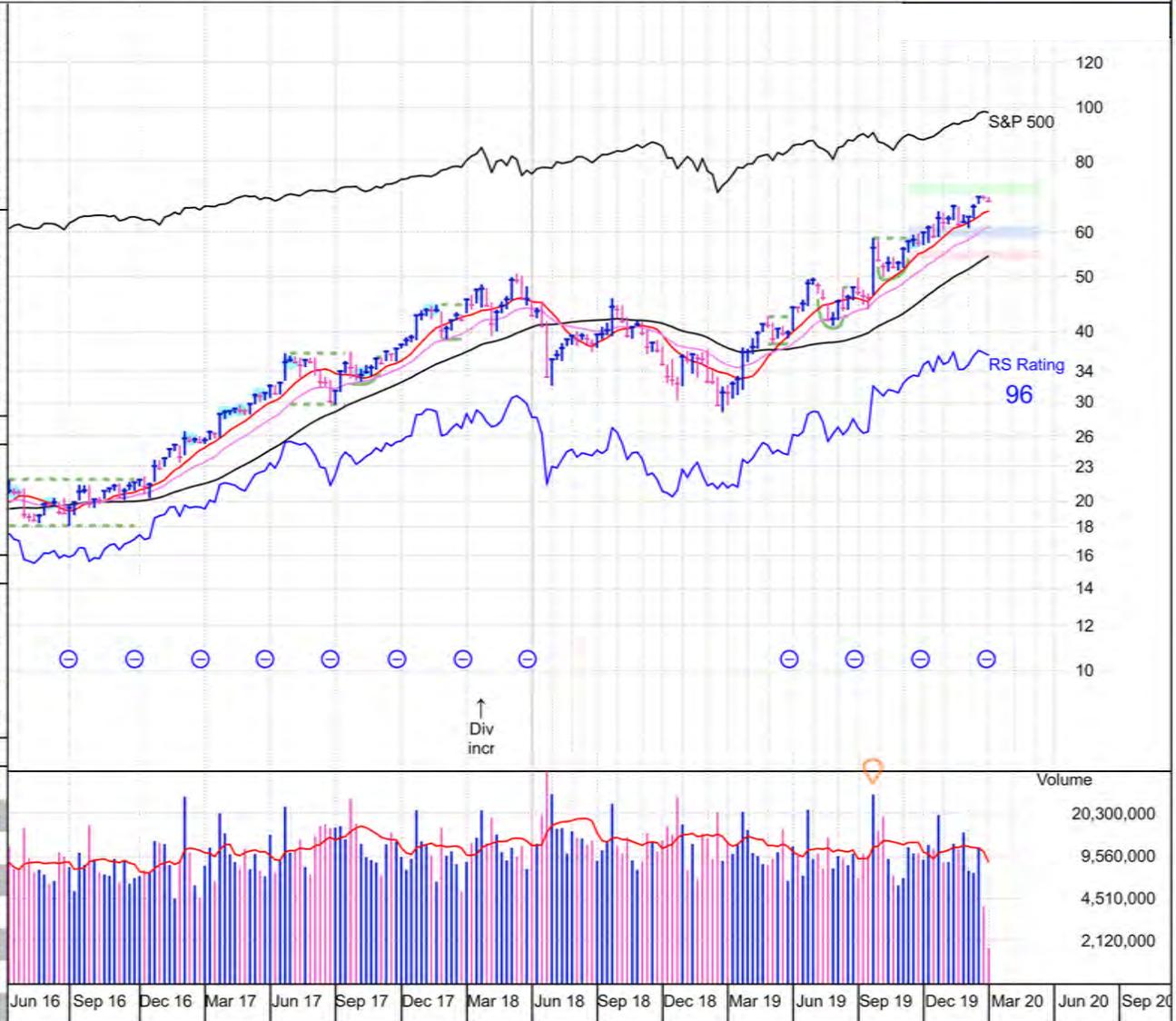
MANUFACTURES IC TEST SYSTEMS FOR THE AUTOMOTIVE, COMMUNICATIONS, CONSUMER, COMPUTER/ELECTRONIC GAME MARKETS.

11/14/19 Acquired AutoGuide Mobile Robots, a developer/manufacturer of high-payload industrial autonomous mobile robots

Year (Dec)	EPS (\$)	Price(\$) High Low	EPS Rating	88
2012	1.67	18 12	Group RS Rating	98
2013	1.06	18 14	SMR Rating	A
2014	1.23	20 16	Acc/Dis Rating	B
2015	1.23	21 16	Composite Rating	97
2016	1.51	26 17	Timeliness Rating	A
2017	2.34	44 25	Sponsorship Rating	C
2018	2.33	50 28	EPS Growth Rate	20%
2019	2.75	est. 18%▲	Earnings Stability	9
2020	3.17	est. 15%▼	P/E Ratio	26 (1.3 X SP)
Yield 0.5%		Return on Equity		26%
ExDiv 11/26/19		Cash Flow		\$2.98
Book Value X7.57		Debt 25%		Ownership
Inventory T/O 16.09X		R&D 14.4%		Mgmt 1%
U/D Vol Ratio 1.9		Alpha 0.17		Banks 2%
New CEO 01/2014		Beta 1.63		Funds 62%

Top RS in Grp	Symbol	RS	EPS Rtg	No. of Funds
UltraClean	UCTT	98	52	Dec-18 776
Photonics	PLAB	97	30	Mar-19 809
LamRsr	LRCX	96	69	Jun-19 858
Formfactor	FORM	96	62	Jun-19 858
Ichor Hldngs	ICHR	96	49	Sep-19 900

Quarterly	EPS(\$)	% Chg	Sales(\$Mil)	% Chg
Dec-17	0.46	+44%	479.4	+26%
Mar-18	0.45	+2%	487.5	+7%
Jun-18	0.59	-34%	526.9	-24%
Sep-18	0.71	+31%	566.9	+13%
Dec-18	0.63	+37%	519.6	+8%
Mar-19	0.54	+20%	494.1	+1%
Jun-19	0.66	+12%	564.2	+7%
Sep-19	0.77	+8%	582.0	+3%



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Lam Research Corp

Lam Research Corp (LRCX) NASDAQ Elec-Semiconductor Equip Average Daily Volume 1,572,300

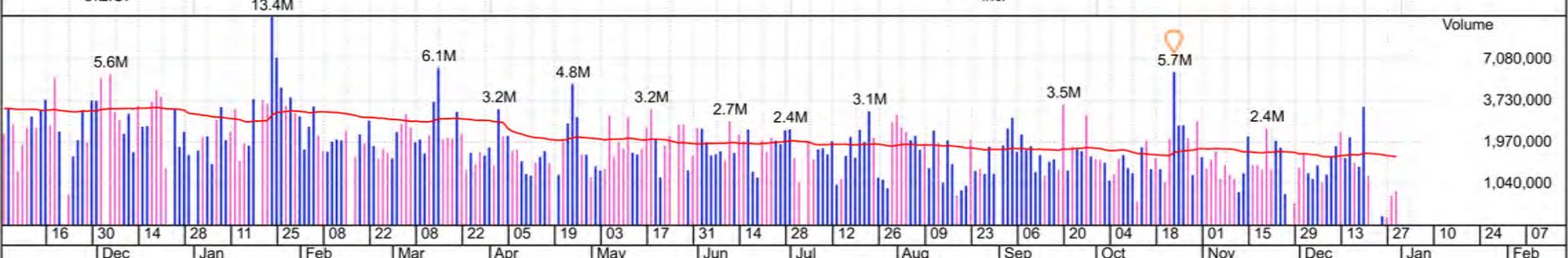
Volume 914,900

\$292.40 -0.14

MANUFACTURES ETCH AND CLEANING SYSTEMS USED IN WAFER FABRICATION EQUIPMENT FOR THE SEMICONDUCTOR INDUSTRY.

www.lamresearch.com

Year (Jun)	EPS (\$)	Price(\$) High Low	EPS Rating	69
2013	2.22	55 35	Group RS Rating	A+
2014	4.36	85 48	SMR Rating	B
2015	4.97	84 61	Acc/Dis Rating	A-
2016	6.37	110 63	Composite Rating	94
2017	9.98	219 105	Timeliness Rating	B
2018	17.87	234 122	Growth Rate	36%
2019	14.55	299 131	P/E	20 (1.0 X SP)
2020	15.11	est. 4%▲	Mkt Cap	\$42.42 Bil
2021	18.49	est. 22%▲	Shares	145.1 Mil
			Funds	54%



December 31, 2018			March 31, 2019			June 30, 2019			September 30, 2019			EPS Due 1/21*
3.87	vs 4.34	-11%	3.70	vs 4.79	-23%	3.62	vs 5.31	-32%	3.18	vs 3.36	-5%	Earnings (\$)
2522.7	vs 2580.8	-2%	2439.1	vs 2892.1	-16%	2361.2	vs 3125.9	-24%	2165.8	vs 2330.7	-7%	Sales (\$Mil)
1.10			1.10			1.10			1.15			Div--P/E Range
		7 -- 9			8 -- 11			11 -- 14			12 -- 17	

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Lam Research Corp

Lam Research Corp (LRCX) NASDAQ Elec-Semiconductor Equip

Volume 1,744,400 \$292.40 -1.30

Options Yes
Short Interest 3.9 days +3%

Market Capitalization \$42.42 Billion
Shares in Float 143.6 Million
Shares Outstanding 145.1 Million

50-Day Avg Volume 1,572,300
Off 52-Week High -2.3%
52-Week Hi-Lo \$299.39-\$131.35

HEADQUARTERS: Fremont, CA

PHONE: 510-572-0200

www.lamresearch.com

MANUFACTURES ETCH AND CLEANING SYSTEMS USED IN WAFER FABRICATION EQUIPMENT FOR THE SEMICONDUCTOR INDUSTRY.

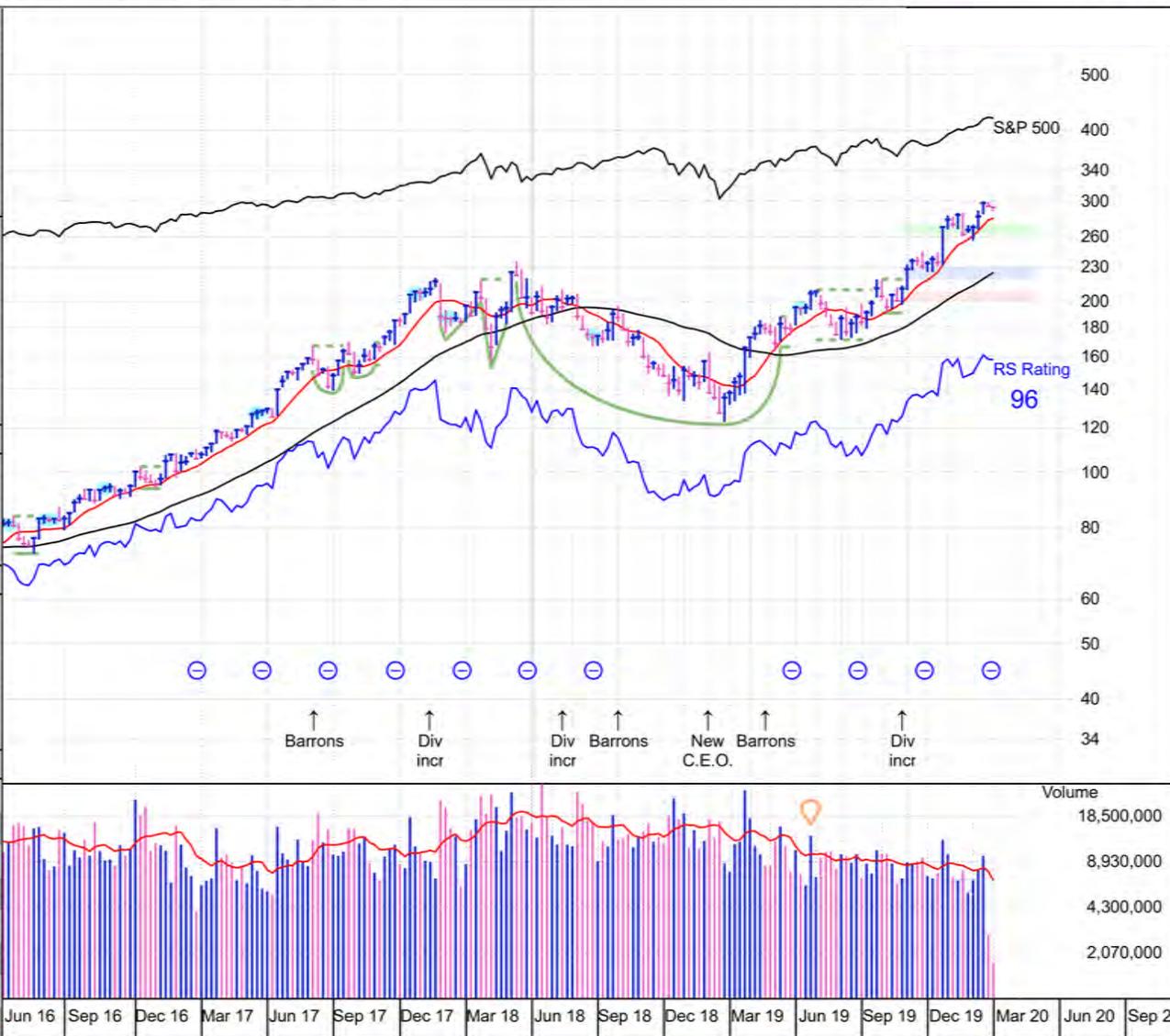
10/23/19 Expects Q2 FY20 non-GAAP earnings of about \$3.80 per diluted share on revenues of about \$2.5 bil.

IPO 5/04/1984

Year (Jun)	EPS (\$)	Price(\$) High Low	EPS Rating	69
2013	2.22	55 35	Group RS Rating	98
2014	4.36	85 48	SMR Rating	B
2015	4.97	84 61	Acc/Dis Rating	A-
2016	6.37	110 63	Composite Rating	94
2017	9.98	219 105	Timeliness Rating	B
2018	17.87	234 122	Sponsorship Rating	B
2019	14.55	299 131	EPS Growth Rate	36%
2020	15.11	est. 4%▲	Earnings Stability	17
2021	18.49	est. 22%▲	P/E Ratio	20 (1.0 X SP)
Yield 1.6%			5-Year P/E Range	7-21
ExDiv 12/10/19			Return on Equity	42%
Book Value X9.08			Cash Flow	\$17.44
Inventory T/O 5.65X			Debt 82%	Ownership
U/D Vol Ratio 1.1			R&D 12.3%	Mgmt 1%
New CEO 12/2018			Alpha 0.15	Banks 2%
			Beta 1.72	Funds 54%

Top RS in Grp	Symbol	RS	EPS Rtg	No. of Funds
UltraClean	UCTT	98	52	Dec-18 2001
Photronics	PLAB	97	30	Mar-19 2160
Teradyne	TER	96	88	Jun-19 2308
Formfactor	FORM	96	62	Sep-19 2404
Ichor Hldngs	ICHR	96	49	

Quarterly	EPS(\$)	% Chg	Sales(\$Mil)	% Chg
Dec-17	4.34	+94%	2580.8	+37%
Mar-18	4.79	+71%	2892.1	+34%
Jun-18	5.31	+71%	3125.9	+33%
Sep-18	3.36	-3%	2330.7	-6%
Dec-18	3.87	-11%	2522.7	-2%
Mar-19	3.70	-23%	2439.1	-16%
Jun-19	3.62	-32%	2361.2	-24%
Sep-19	3.18	-5%	2165.8	-7%



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Applied Materials Spikes On Upbeat Earnings, Boosting Chip Gear Stocks



appliedmaterials.com

Applied Materials stock soared after the semiconductor equipment maker reported better-than-expected results for its fiscal fourth quarter. The positive news drove shares of industry peers higher as well.

The Santa Clara, Calif.-based company late Thursday said it has seen a “healthy uptick in demand for semiconductor equipment.” The **Applied Materials (AMAT)** earnings report is the latest sign that the chip gear segment is emerging from a downturn in the chip cycle.

On the stock market today, Applied Materials stock jumped 9% to 62.06. In intraday trading, it notched a record high of 62.92.

IBD’s Electronics-Semiconductor Equipment group ranks first out of 197 industry groups. The top stock in the group is **KLA (KLAC)**, according to the IBD Stock Checkup. KLA stock rose 1.2% to 177.86 on Friday. The group as a whole rose 1.9%. Applied Materials ranks ninth in the group.

Other semiconductor equipment stocks on the rise Friday included **Lam Research (LRCX)**, up 3.1%; **ASML Holding (ASML)**, up 1.9%; and **Teradyne (TER)**, up 1.8%.

Applied Materials Sees Return To Growth

Applied Materials earned an adjusted 80 cents a share on sales of \$3.75 billion in the quarter ended Oct. 27.

Analysts expected earnings of 76 cents a share on sales of \$3.68 billion. On a year-over-year basis, earnings fell 6% while sales were roughly flat.

For the current quarter, Applied Materials guided to adjusted earnings of 91 cents a share on sales of \$4.1 billion. That would translate to year-over-year growth of 12% in earnings and 9% in sales. Wall Street had predicted earnings of 72 cents a share on sales of \$3.705 billion in its fiscal first quarter.

On a conference call with analysts, Chief Executive Gary Dickerson pointed to 5G wireless chipmakers as a source of near-term industry strength.

Applied Materials said it is seeing strong purchasing by foundry logic customers. It also is seeing signs of a recovery in Nand memory chip investments.

Applied Materials got a boost last quarter from increased capital equipment spending by major customer **Taiwan Semiconductor Manufacturing (TSM)**, analysts said.

‘Major New Growth Drivers’ Coming

Longer term, Applied Materials will benefit from Internet of Things, Big Data and artificial intelligence as “major new growth drivers,” Dickerson said.

“AI and Big Data have the potential to transform every area of the economy and our lives,” he said. “These inflections will also have a profound impact on the semiconductor industry.”

New types of chips will be needed in data centers and for edge devices, he said. Those chips will need to be faster and more capable, requiring advanced semiconductor manufacturing equipment, Dickerson said.

AMAT Stock Gets Price-Target Hikes

At least 10 Wall Street analysts raised their price targets on Applied Materials stock on Friday.

Nomura Instinet analyst David Wong upgraded AMAT stock to buy from neutral and raised his price target to 68 from 40.

“There are signs that a recovery in semiconductor equipment spending has begun, though we believe there remain uncertainties as to the quarter-to-quarter pattern of demand through 2020,” he said in a note to clients.

Susquehanna Financial Group analyst Mehdi Hosseini reiterated his positive rating on Applied Materials stock and upped his price target to 80 from 70.

Adapted from an article published on November 15, 2019 in *Investor’s Business Daily*.

Applied Materials Inc

Applied Materials Inc (AMAT) NASDAQ Elec-Semiconductor Equip

Volume 7,303,900 \$61.04 -0.13

Options Yes
Short Interest 2.7 days +4%

Market Capitalization \$55.87 Billion
Shares in Float 906.2 Million
Shares Outstanding 915.3 Million

50-Day Avg Volume 7,408,800
Off 52-Week High -3.2%
52-Week Hi-Lo \$63.07-\$31.48

HEADQUARTERS: Santa Clara, CA

PHONE: 408-727-5555

www.appliedmaterials.com

MANUFACTURES DEPOSITION, INSPECTION AND ETCHING/CLEANING EQUIPMENT USED IN IC/FLAT PANEL DISPLAY FABRICATION.

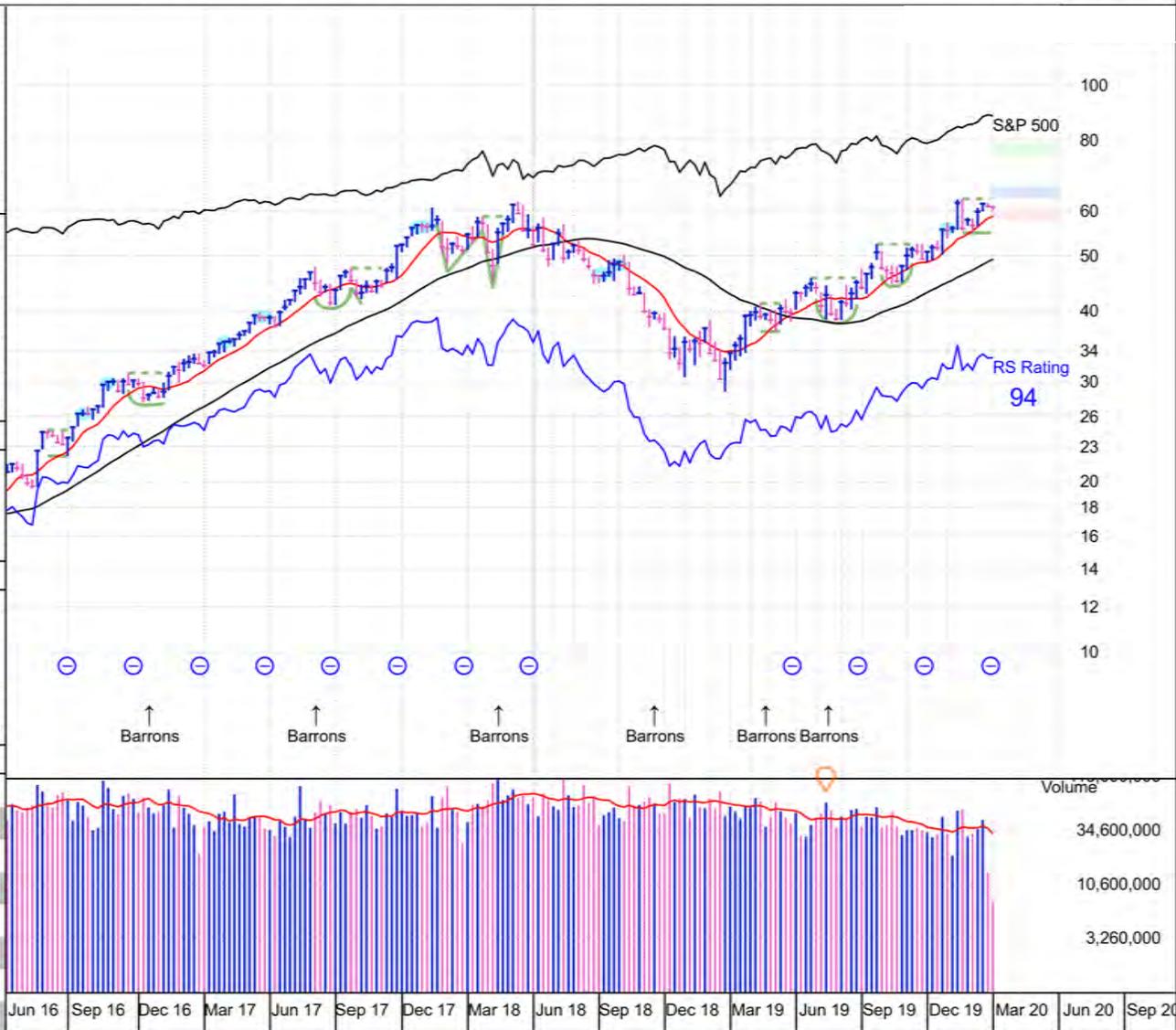
11/14/19 Expects Q1 FY20 non-GAAP earnings of \$0.87 to \$0.95/dil shr on revs of about \$4.10 bil, plus or minus \$150 mil

IPO 10/05/1972

Year	EPS (\$)	Price(\$) High Low	EPS Rating	68
2013	0.59	18 11	Group RS Rating	98
2014	1.07	25 16	SMR Rating	B
2015	1.19	25 14	Acc/Dis Rating	B+
2016	1.75	33 15	Composite Rating	94
2017	3.25	60 31	Timeliness Rating	B
2018	4.18	62 28	Sponsorship Rating	B
2019	3.04	63 31	EPS Growth Rate	37%
2020	3.76 est.	24%▲	Earnings Stability	24
2021	4.39 est.	17%▲	P/E Ratio	20 (1.0 X SP)
Yield	1.4%		5-Year P/E Range	7-23
ExDiv	2/18/20		Return on Equity	38%
Book Value	X6.79		Cash Flow	\$3.53
Inventory T/O	4.06X		Debt	57%
U/D Vol Ratio	1.3		R&D	14.1%
New CEO	09/2013		Alpha	0.09
			Beta	1.73
			Ownership	
			Mgmt	1%
			Banks	1%
			Funds	50%

Top RS in Grp	Symbol	RS	EPS Rtg	No. of Funds
UltraClean	UCTT	98	52	Dec-18 2023
Photronics	PLAB	97	30	Mar-19 2091
Teradyne	TER	96	88	Jun-19 2174
LamRsr	LRCX	96	69	Sep-19 2255
Formfactor	FORM	96	62	

Quarterly	EPS(\$)	% Chg	Sales(\$Mil)	% Chg
Jan-18	1.08	+61%	4205.0	+28%
Apr-18	1.19	+51%	4579.0	+29%
Jul-18	1.04	+21%	4162.0	+11%
Oct-18	0.85	-9%	3759.0	-5%
Jan-19	0.81	-25%	3753.0	-11%
Apr-19	0.70	-41%	3539.0	-23%
Jul-19	0.74	-29%	3562.0	-14%
Oct-19	0.80	-6%	3754.0	0%



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12.31.2019

ASML Holding Breaks Out To New High



asml.com

ASML Holding (ASML), a provider of equipment used for making semiconductors, is the IBD Stock Of The Day as ASML stock broke out to a new high on Thursday.

The Netherlands-based company is one of several large providers of chipmaking equipment, such as Applied Materials (AMAT), Teradyne (TER) and Lam Research (LRCX). Altogether, they provide the various types of systems needed to build the complex circuitry of microelectronic devices.

Keep in mind that chip stocks currently are vulnerable to wild swings associated with the trade war with China. The semiconductor industry is also notoriously cyclical.

Founded 35 years ago, ASML has a market valuation of about \$106 billion. The company is expected to see a small decline in earnings this year, due in large part to trade war frictions. But Wall Street sees a strong rebound in profit in 2020, up 36% to \$9.14 a share. The company reported second quarter results in July that topped expectations.

Analysis Of ASML Stock

ASML stock climbed 2.3%, near 251.95, during afternoon trading on the stock market today, near a buy point of 252.21.

Shares hit an intraday record of 254.24 at one point in Thursday's session, breaking out briefly from a three-weeks tight pattern, which followed a flat base-on-base pattern and a long cup-with-handle formation.

The pattern indicates a pause in a stock's advance, which may give the impression it's stalling. On the contrary, it can produce powerful breakouts.

The three-weeks-tight is normally used to add a small amount of shares to a stock an investor already owns. New investors sometimes can make an initial purchase with this pattern. However, amid the current stock market volatility, investors should be cautious.

Another positive trend for ASML stock is its relative strength line, which is at a record high. The RS line measures a stock's price performance vs. the S&P 500. Typically, the RS line of the strongest stocks is either confirming or leading a stock's price into new high ground.

Among other stock metrics, the Relative Strength Rating on ASML is a strong 96 out of a possible 99, according to IBD Stock Checkup. That's a bullish signal. That means it has outperformed 96% of all stocks. The best stocks tend to have an 80 or better RS Rating. ASML also has an IBD Composite Rating of 89.

ASML is part of IBD's Electronics-Semiconductor Equipment industry group, which ranks No. 15 out of 197 industry groups. The highest rated company in that group is KLA (KLAC), followed by Teradyne, then Cabot Microelectronics (CCMP). ASML is ranked No. 9.

Analyst Views On ASML

UBS analyst David Mulholland has a buy rating on ASML stock and price target of 275.

"We view ASML as one of the highest quality names in European tech hardware and we expect solid growth and its competitive advantage to continue for the next decade,

making disruption to the business model highly unlikely, a rarity in technology stocks globally," Mulholland wrote in a note to clients.

Despite the current down cycle in the semiconductor industry, a Wall Street firm last month turned positive on chip equipment manufacturers.

Evercore ISI analyst C.J. Muse said he is "going all in on semi-equipment stocks." He upgraded KLA and Lam Research to outperform from in line. He also reiterated his buy ratings on Applied Materials and ASML.

"Obviously the macro backdrop, particularly uncertainty related to escalating trade tensions, would not appear to be ideal for owning higher-beta semiconductor production equipment stocks, but we believe there are both company and industry-specific catalysts that will lead the group higher into year-end," Muse wrote.

Adapted from an article published on October 10, 2019 in Investor's Business Daily.

A S M L Holding

A S M L Holding N.V. NY (ASML) NASDAQ Elec-Semiconductor Equip

Volume 636,200 \$295.94 -0.73

Options Yes
Short Interest 3.1 days +16%

Market Capitalization \$125.57 Billion
Shares in Float 420.1 Million
Shares Outstanding 424.3 Million

50-Day Avg Volume 575,500
Off 52-Week High -0.9%
52-Week Hi-Lo \$298.50-\$147.38

HEADQUARTERS: NETHERLANDS

PHONE:

www.asml.com

DUTCH MANUFACTURER OF LITHOGRAPHY SYSTEMS USED IN THE FABRIC ATION OF INTEGRATED CIRCUITS.

10/16/19 Expects Q4 2019 revenues of about \$4.31 bil (EUR 3.9 bil)

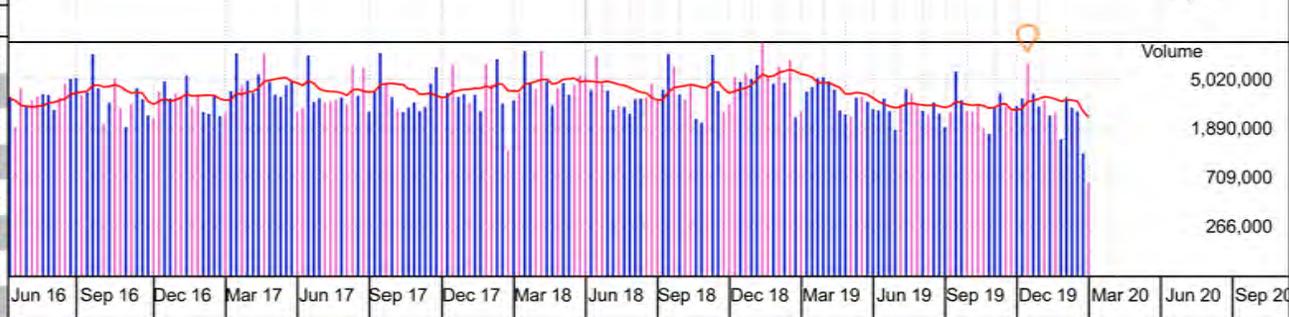
IPO 3/15/1995

Year (Dec)	EPS (\$)	Price(\$) High Low	EPS Rating	57
2012	3.96	64 42	Group RS Rating	98
2013	3.68	101 62	SMR Rating	B
2014	3.56	109 79	Acc/Dis Rating	B+
2015	3.54	114 82	Composite Rating	91
2016	3.78	112 77	Timeliness Rating	C
2017	5.67	186 109	Sponsorship Rating	B
2018	6.95	221 144	EPS Growth Rate	17%
2019	6.64	est. -4%▼	Earnings Stability	17
2020	9.02	est. 36%▼	P/E Ratio	49 (2.5 X SP)
Yield		1.0%	5-Year P/E Range	20-50
ExDiv		11/04/19	Return on Equity	23%
Book Value		X9.40	Cash Flow	\$8.36
Inventory T/O		3.34X	Debt	26%
U/D Vol Ratio		1.3	R&D	14.0%
New CEO		07/2013	Alpha	0.11
			Beta	1.51



Top RS in Grp	Symbol	RS	EPS Rtg	No. of Funds
UltraClean	UCTT	98	52	Dec-18 307
Photronics	PLAB	97	30	Mar-19 334
Teradyne	TER	96	88	Jun-19 353
LamRsr	LRCX	96	69	Sep-19 397
Formfactor	FORM	96	62	

Quarterly	EPS(\$)	% Chg	Sales(\$Mil)	% Chg
Dec-17	1.79	+39%	3074.8	+53%
Mar-18	1.55	+38%	2810.2	+35%
Jun-18	1.60	+30%	3199.5	+33%
Sep-18	1.86	+22%	3224.7	+11%
Dec-18	2.13	+19%	3592.7	+17%
Mar-19	0.94	-39%	2503.2	-11%
Jun-19	1.29	-19%	2924.4	-9%
Sep-19	1.62	-13%	3256.1	+1%



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CHIPS

Xilinx Shifts Narrative From Chips To Computing Platforms



Jonathan Weiss/Shutterstock.com

Chipmaker **Xilinx (XLNX)** is progressing as it transitions from a maker of specialty chips to being a provider of computing platforms, according to its chief executive. Xilinx stock rose on Wednesday.

Xilinx Chief Executive Victor Peng unveiled a unified software development platform called Vitis on Tuesday at the company's third annual developer forum in San Jose, Calif. He also trotted out a host of partners using the company's latest products.

In an interview, Peng said Vitis will lower the barrier for developers to take advantage of the intrinsic properties of field-programmable gate arrays. These devices are integrated circuits designed to be configured by a customer after manufacturing.

"It will expand our user base and our (serviceable market)," Peng said. Software developers can customize Xilinx chips for applications ranging from Internet of Things to artificial intelligence, he said.

Xilinx has a diverse customer base, but its three main growth markets are data centers, the automotive sector and 5G wireless providers.

In a keynote presentation at the Xilinx Developer Forum, Peng was joined on stage by executives from **Amazon.com's (AMZN)** Amazon Web Services, **Microsoft (MSFT)**

Azure, Samsung and other companies using Xilinx devices. Those devices include Versal adaptable compute acceleration platform products and Alveo acceleration cards for data centers.

Xilinx Stock In The Dumps

Xilinx stock hit an all-time high of 141.60 on April 24 before delivering a disappointing March-quarter earnings report. It now trades below its 50-day and 200-day moving averages.

Morgan Stanley analyst Joseph Moore on Wednesday reiterated his overweight rating on Xilinx stock with a price target of 134.

"While investor focus remains around near-term wireless challenges, we are impressed with how far Xilinx has come in two years in building out platform and software businesses," Moore said in a report to clients on the Xilinx conference. "Customer testimonials point to substantial long-term opportunity."

U.S. trade restrictions on China telecom gear maker Huawei have hurt Xilinx's wireless business.

Xilinx's Vitis software developer platform appears aimed at data center chip rival **Nvidia (NVDA)**, Moore said.

Chipmaker's Position Strengthening

Rosenblatt Securities analyst Hans Mosesmann maintained his buy rating and price target of 165 on Xilinx stock.

"At a high level, we see Xilinx's fundamental position in next-generation data center, 5G and automotive is strengthening," Mosesmann said in a report. At the Xilinx conference, "attendance is up at least 50% and third-party partner participation up 2x by our reckoning, which is a significant leading indicator."

Surprises With Weak Guidance For December Quarter

Xilinx topped Wall Street's targets for its fiscal second quarter, but its soft guidance spooked investors. The Xilinx earnings news drove XLNX stock lower in extended trading.

The San Jose, Calif.-based company earned an adjusted 94 cents a share on sales of \$833 million in the quarter ended Sept. 28. Analysts expected Xilinx earnings of 92 cents a share on sales of \$827 million, according to Zacks Investment Research. On a year-over-year basis, Xilinx earnings rose 8% while sales climbed 12%.

For the current quarter, Xilinx expects sales of \$710 million to \$740 million, or \$725 million at the midpoint. It did not give a target for earnings per share. Wall Street was modeling Xilinx earnings of 88 cents a share on sales of \$847 million in the December quarter. In the year-earlier period, Xilinx earned 92 cents a share on sales of \$800 million.

Xilinx Warns Of Business Headwinds

Xilinx exceeded expectations in the first half of the year despite a "challenging business environment driven by global trade disputes," Chief Executive Victor Peng said in a news release. Its challenges included U.S. restrictions on sales to China telecom gear maker Huawei.

"However, we are seeing a combination of headwinds in the second half related to continuing business restrictions, weaker demand for communications products and macro-related weakness offsetting strong overall growth in data center and improvement across our core vertical markets," Peng said.

Adapted from articles published on October 2 and October 23, 2019 in *Investor's Business Daily*.

Xilinx Inc

Xilinx Inc (XLNX) NASDAQ Elec-Semiconductor Fablss

Options Yes
Short Interest 1.5 days +8%

Market Capitalization \$24.59 Billion
Shares in Float 249.0 Million
Shares Outstanding 251.5 Million

Volume 3,314,700 \$97.77 -0.65
50-Day Avg Volume 3,038,800
Off 52-Week High -31.0%
52-Week Hi-Lo \$141.60-\$82.56

HEADQUARTERS: San Jose, CA

PHONE: 408-559-7778

www.xilinx.com

DESIGNS FIELD PROGRAMMABLE GATE ARRAYS AND COMPLEX PROGRAMMA BLE LOGIC DEVICES. AI MARKET GROWING.

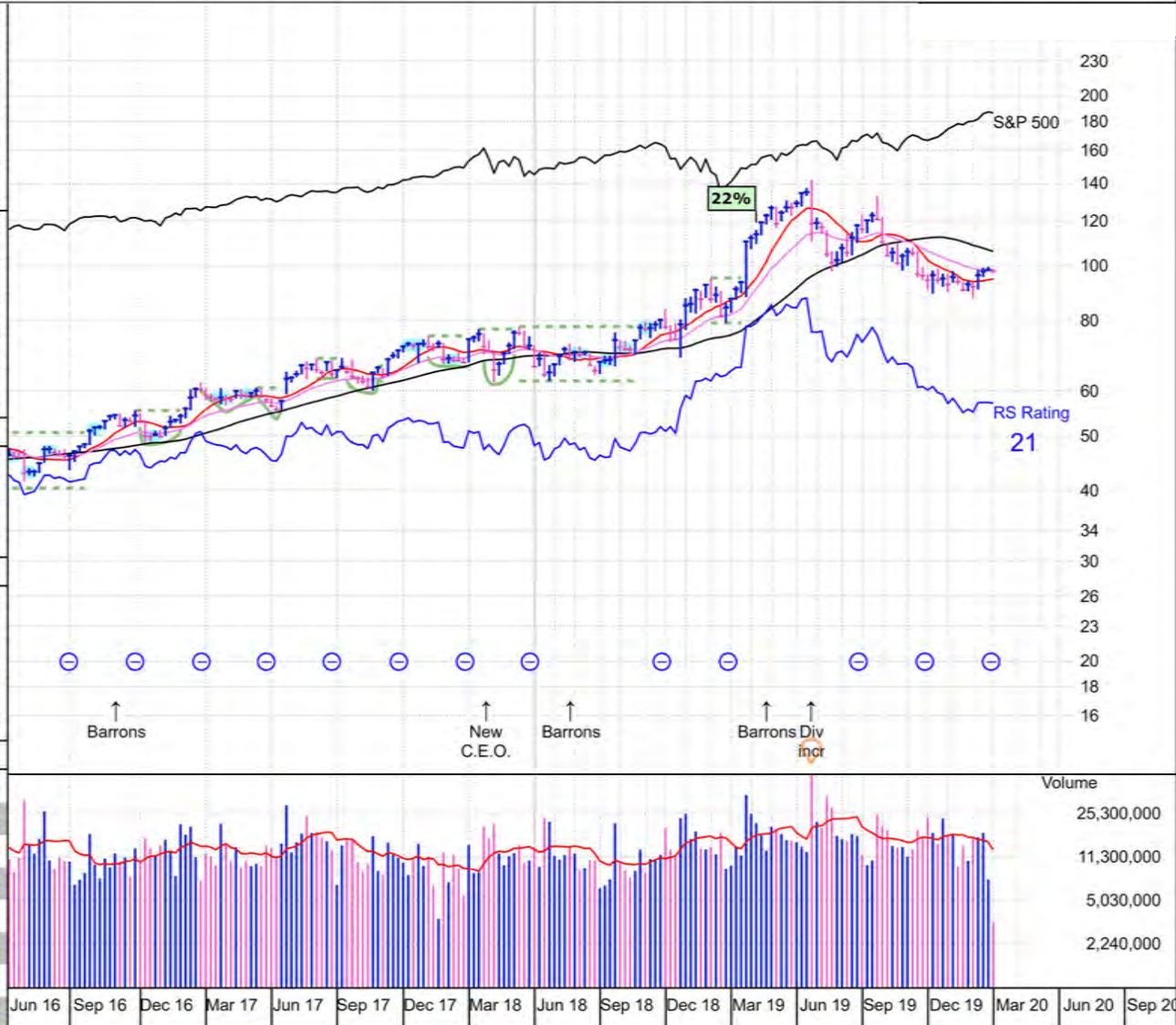
10/23/19 Expects FY20 revenues of \$3210 mil to \$3280 mil

IPO 6/12/1990

Year	EPS (\$)	Price(\$) High Low	EPS Rating	82
(Mar)			Group RS Rating	97
2013	1.79	48 34	SMR Rating	A
2014	2.29	55 36	Acc/Dis Rating	C+
2015	2.33▲	50 37	Composite Rating	71
2016	2.05	62 40	Timeliness Rating	C
2017	2.32	75 54	Sponsorship Rating	B
2018	2.64	95 62	EPS Growth Rate	10%
2019	3.48	141 82	Earnings Stability	12
2020	3.24 est.	-7%▼	P/E Ratio	26 (1.3 X SP)
2021	3.62 est.	12%▼	5-Year P/E Range	16-38
Yield		1.5%	Return on Equity	34%
ExDiv		11/08/19	Cash Flow	\$3.91
Book Value		X8.58	Debt	43%
Inventory T/O		11.09X	R&D	24.3%
U/D Vol Ratio		0.8	Alpha	-0.08
New CEO		01/2018	Beta	1.62

Top RS in Grp	Symbol	RS	EPS Rtg	No. of Funds
Cirrus	CRUS	98	85	Dec-18 1629
AdvaMcrDv	AMD	98	38	Mar-19 1867
LatticeSemi	LSCC	96	98	Jun-19 2018
Inphi	IPHI	96	94	Sep-19 1999
Sitime	SITM	95	41	

Quarterly	EPS(\$)	% Chg	Sales(\$Mil)	% Chg
Dec-17	0.65	+25%	598.6	+2%
Mar-18	0.70	+23%	638.2	+5%
Jun-18	0.75	+27%	684.4	+14%
Sep-18	0.87	+30%	746.3	+19%
Dec-18	0.92	+42%	800.1	+34%
Mar-19	0.94	+34%	828.4	+30%
Jun-19	0.97	+29%	849.6	+24%
Sep-19	0.94	+8%	833.4	+12%



This Education Stock With 2,100% Growth Is A Bull In China's Shop



Mangpink/Shutterstock.com

The Consumer-Services-Education Industry Group is home to a number of high-performing stocks. Hottest among this cornucopia of sizzling names is China's **New Oriental Education & Technology (EDU)**.

A prince among China stocks, it has raced to a 107% gain so far in 2019. And analysts believe the company, which offers a diversified portfolio of educational programs, has plenty of room to run higher.

But its long-term performance is even more extraordinary. EDU stock hit an all-time low of 5.15 on its first day of trading in 2006 on a split-adjusted basis. Since then, New Oriental stock has been a major success story, soaring in value by 2,173%.

Goldman Sachs analyst Christine Cho, who rates New Oriental Education stock as a buy with a 135 target, sees an even higher stock price ahead.

"We believe further valuation upside potential (especially for EDU) will come as we move into the new 2019/2020 academic year and look beyond 2020," she said in a recent note to clients.

Small Egg Becomes Mighty Dragon

New Oriental Chairman Michael Minhong Yu founded the company's first school in Beijing in 1993 to offer Test of

English as a Foreign Language test preparation course to college students.

Since then it has blossomed to become China's largest provider of private educational services. At last count, it had 1,233 learning institutions spread around the nation. Among them are 1,138 learning centers and 95 full-fledged schools.

A key metric for the company is student enrollment, where it scores highly. At the end of fiscal 2019, New Oriental Education had approximately 8.4 million student enrollments. That includes roughly 7.5 million student enrollments in its K-12 after-school tutoring courses. There are also 600,000 students enrolled in test preparation courses.

This was up from approximately 6.3 million total enrollments in fiscal 2018. Since its founding, it claims more than 44.8 million student enrollments overall.

New Oriental also has an online education arm named Koolearn. It offers after-school tutoring and test preparation from preschool education to college. It was listed as a separate company on the Hong Kong Stock Exchange in March.

Summer Kung Fu Pays Off For China Stock

Kung fu (Gung fu in Cantonese) refers to any discipline or skill achieved through hard work and practice. This applies to New Oriental when it comes to winning enrollments. And it should be another bumper year if efforts to attract fresh students through a summer promotional drive this year are any guide.

Chief Financial Officer Zhihui Yang touted this year's figures during the firm's most recent earnings call in August.

"The promotion enrollments we brought in before the start of the summer holiday in early July this year saw a 4% increase comparing the same period of last year, reaching

765,400 enrollments," Yang said. "And then this strategy, we're also able to better identify and retain customers with the higher loyalty, and overall we are pleased to see the higher positive outcome."

New Oriental Education does not include promotional enrollments in its general enrollment figures. They are only added on if they become regular students.

Analysts On Board The New Oriental Express

Goldman Sachs analyst Christine Cho is impressed with the firm's management and its plans for the future. This is among the key reasons for her bullish stance on the stock.

"We walked away from our meetings with EDU's senior management team with continued confidence on the company," she said in a research note. "We believe EDU's newer learning centers added in the last two years are approaching an accelerated ramp-up curve in (fiscal 2020)."

Cho also said she believes the firm's focus on making operating efficiency gains will deliver even more important benefits to the bottom line in the future.

There also could be a couple of bumper quarters ahead for the firm, says UBS analyst Felix Liu. He rates the stock as a buy with a 130 price target.

"We note that the teacher license exams in fiscal year 2019 took place on a weekend in Nov 2018 and Jan 2019 (EDU's Q2 and Q3 respectively)," he said in a note to clients. "We think potential related impacts to class scheduling could make year-over-year comparison easier for Q2 and Q3."

Adapted from an article published on October 18, 2019 in Investor's Business Daily.

New Orientl Edu & Tech Ad

New Orientl Edu&Tech Ads (EDU) NYSE Consumer Svcs-Education

Market Capitalization \$19.19 Billion
 Shares in Float 131.3 Million
 Shares Outstanding 158.2 Million

Volume 796,900 \$121.26 -2.74
 50-Day Avg Volume 861,600
 Off 52-Week High -5.9%
 52-Week Hi-Lo \$128.80-\$53.62

Options Yes
 Short Interest 3.1 days +9%

HEADQUARTERS: CHINA

PHONE:

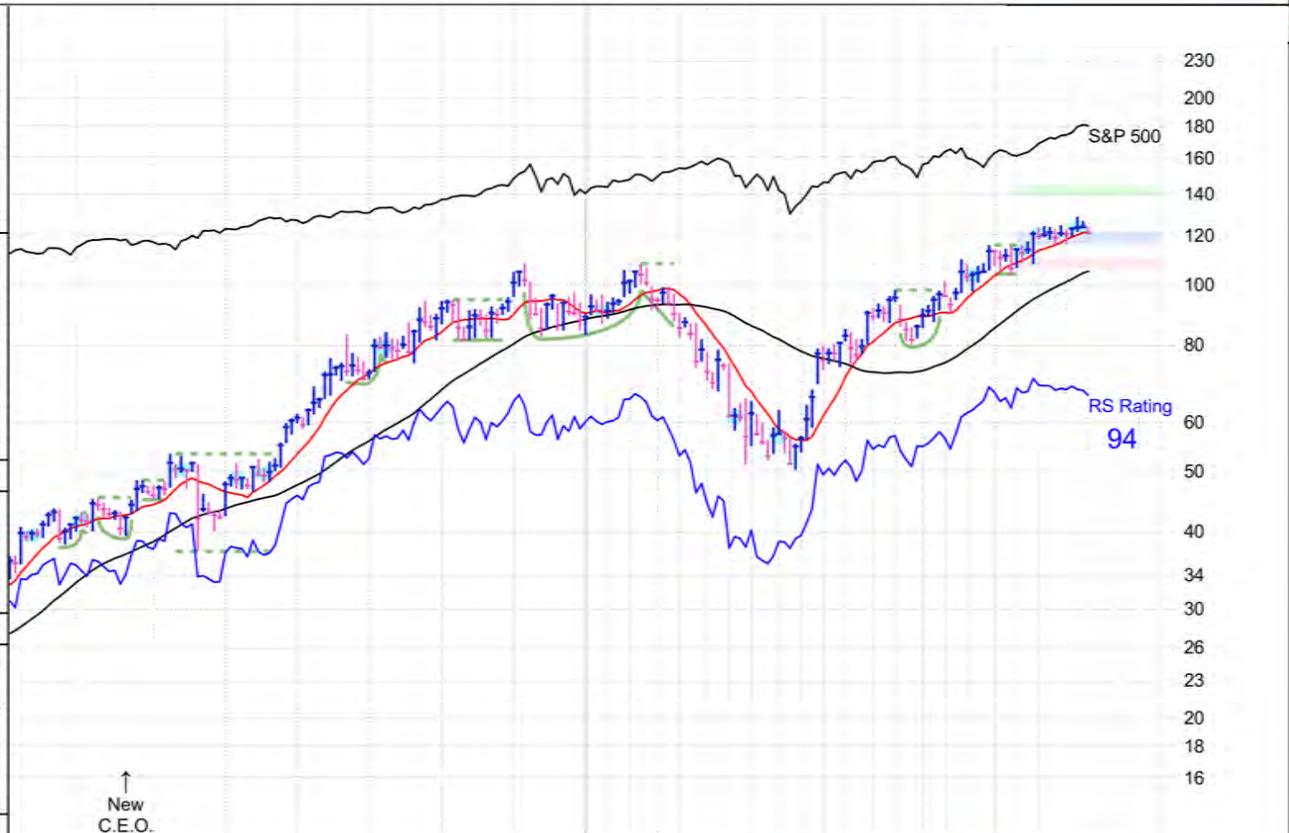
www.neworiental.org

CHINESE PROVIDER OF LANGUAGE TRAINING & TEST PREP COURSES TO 44.8 MIL STUDENTS VIA 95 SCHOOLS/1,159 CENTERS.

10/22/19 Expects Q2 FY20 revenues of \$753.6 mil to \$771.0 mil

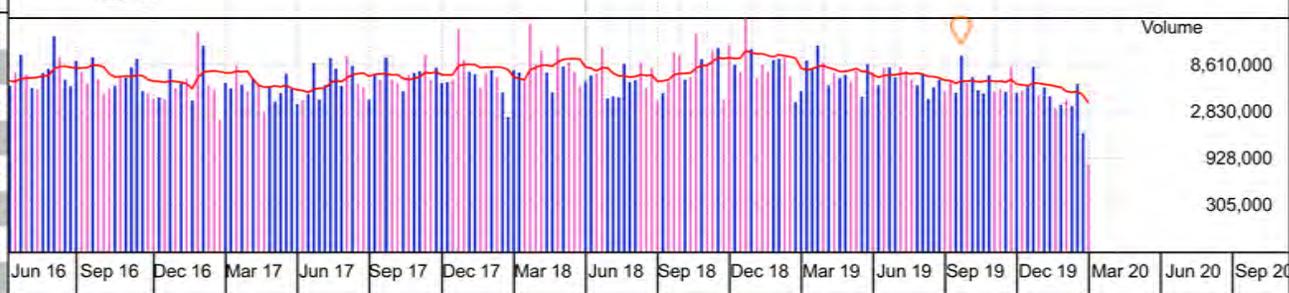
IPO 9/07/2006

Year (May)	EPS (\$)	Price(\$) High Low	EPS Rating	93
2013	1.04	32 14	Group RS Rating	24
2014	1.49▲	34 18	SMR Rating	A
2015	1.33	33 18	Acc/Dis Rating	B
2016	1.54▲	53 27	Composite Rating	93
2017	1.87	95 42	Timeliness Rating	A
2018	2.23	108 50	Sponsorship Rating	C
2019	2.58▲	128 53	EPS Growth Rate	17%
2020	3.51 est.	36%▲	Earnings Stability	5
2021	4.63 est.	32%▲	P/E Ratio	43 (2.2 X SP)
Yield NONE			5-Year P/E Range	13-54
ExDiv 9/01/17	Book Value X8.25		Return on Equity	19%
Inventory T/O 89.47X	U/D Vol Ratio 1.2		Cash Flow	\$2.60
New CEO 09/2016	Alpha 0.21		Debt 4%	Ownership
Beta 1.25		Funds 55%	R&D N/A	Mgmt 17%
Top RS in Grp		Symbol	RS	EPS Rtg
GsxTecheduA		GSX	98	84
TALeduc		TAL	95	46
Hailiang Edu		HLG	85	83
CareerEd		CECO	83	72
Chegg		CHGG	80	99



Top RS in Grp	Symbol	RS	EPS Rtg	No. of Funds
GsxTecheduA	GSX	98	84	Dec-18 800
TALeduc	TAL	95	46	Mar-19 915
Hailiang Edu	HLG	85	83	Jun-19 1015
CareerEd	CECO	83	72	Sep-19 1044
Chegg	CHGG	80	99	

Quarterly	EPS(\$)	% Chg	Sales(\$Mil)	% Chg
Nov-17	0.09	+13%	467.2	+37%
Feb-18	0.57	+19%	618.1	+41%
May-18	0.55	+34%	701.0	+44%
Aug-18	1.16	+14%	859.9	+30%
Nov-18	0.14	+56%	597.1	+28%
Feb-19	0.69	+21%	796.7	+29%
May-19	0.60	+9%	842.9	+20%
Aug-19	1.44	+24%	1071.8	+25%



Quotes delayed 20 minutes. Ownership and Estimate data provided by Thomson Reuters. reachus@marketsmith.com © 2019 MarketSmith, Incorporated. 12.31.2019

CONSUMER

Tempur Sealy Stock Wakes Up From Retail Mattress Nightmare



tempursealy.com

As rivals go to the mat in the U.S. mattress wars, **Tempur Sealy International (TPX)** — the maker of Tempur-Pedic and Sealy beds — has gone high-tech, high-end and higher profit. Tempur Sealy stock has followed.

After a rancorous legal dispute, Tempur Sealy is back together with mattress chain Mattress Firm, once Tempur's biggest customer. It refreshed and added new materials to products. It has steered sales away from cheaper mattresses more vulnerable to competition. That includes e-commerce upstarts that sell lower-priced, compressible-foam "bed-in-a-box" mattresses now sending tremors through the bedding-retail terrain.

Tempur Sealy also has opened up its own retail stores focused on selling its own products. Those locations cater to a customer more willing to spend on top-tier fare.

"There are plenty of bedding outlets, for lack of a better word, in the United States," Chief Executive Scott Thompson told *Investor's Business Daily*. "But what wasn't being served was the high-end customer. You certainly had lots of Chevys. But there weren't any Lexus dealerships, or very few."

Analysts also see the company, the product of Tempur-Pedic's 2013 acquisition of Sealy, capitalizing on high-tech analytics and a growing interest in quantifying one's health. Those trends have expedited the rise of so-called

smart beds. They track and, in some cases, respond to your sleeping patterns.

"It's a better time than ever to buy a mattress," KeyBanc analyst Brad Thomas said in an interview.

Tempur Sealy Stock Awakens

Against that backdrop, analysts see a firmer bottom line for Tempur Sealy, even as digitally oriented startups take aim at big retailers. They forecast earnings-per-share growth of 19% this year. In 2020, they see profit growth swelling by 50%.

As expectations rise, Tempur Sealy stock has nearly doubled in value this year. Since the end of July, however, its performance has fallen closer into line with the S&P 500. But the consolidation helped shares build a flat base. Tempur Sealy stock is close to breaking out of that pattern.

Much of that climb came on signs that Tempur Sealy might patch things up with Mattress Firm, raising sales prospects for both. Relations between the two soured in January 2017. Tempur Sealy said at the time it would sever ties with Mattress Firm. It said the retailer and its new owner demanded "significant economic concessions" and other changes to their supply agreements.

Mattress Firm made up 21% of Tempur Sealy's global sales in 2016. Tempur Sealy stock fell off a cliff, sinking 28% the day the company said it would stop doing business with Mattress Firm.

The situation got uglier after Tempur Sealy last year sued Mattress Firm. The bed maker alleged Mattress Firm was selling copycat Tempur-Pedic products under the name "Therapedic."

Sleep-Industry Unrest

Meanwhile, online bed-in-a-box retailers like Casper and Tuft & Needle, which can ship their products easily to homes, had ruffled the bedding retail landscape. Once,

mattress shops could rely on people showing up to a physical store and plopping down on a mattress to test it out before buying.

But customer experience in mattress stores, "has been notoriously poor," Stifel analysts said this month. Online rivals showed far more willingness to spend piles of cash on promotion in an effort to snag customers.

On top of that, Mattress Firm's parent company, Steinhoff, a South Africa-based household furnishings retailer, faced an accounting scandal. Mattress Firm filed for Chapter 11 bankruptcy protection last October, after opening or acquiring too many stores.

The smoke cleared somewhat for Tempur Sealy stock in the months that followed. Mattress Firm emerged from Chapter 11 later in 2018. And in February of this year, Tempur Sealy said it settled "all litigation" with Mattress Firm, and then announced a reconciliation in June. It signed a supply agreement with Mattress Firm and expanded one with closeout chain **Big Lots (BIG)**.

Tempur Sealy's Thompson said it was unclear whether Mattress Firm would once again become his company's biggest customer. But he said they'd certainly be in the top five. Thomas, the KeyBanc analyst, said he believed Mattress Firm would eventually reclaim that top spot in the U.S.

Adapted from an article published on October 25, 2019 in *Investor's Business Daily*.

Tempur Sealy International

Tempur Sealy Intl Inc (TPX) NYSE Hsehold/Office Furniture

Options Yes
Short Interest 3.7 days +1%

Market Capitalization \$4710.2 Million
Shares in Float 51.9 Million
Shares Outstanding 54.1 Million

Volume 786,700 -\$87.08 -1.25
50-Day Avg Volume 718,500
Off 52-Week High -5.7%
52-Week Hi-Lo \$92.33-\$39.79

HEADQUARTERS: Lexington, KY

PHONE: 800-878-8889

www.tempursealy.com

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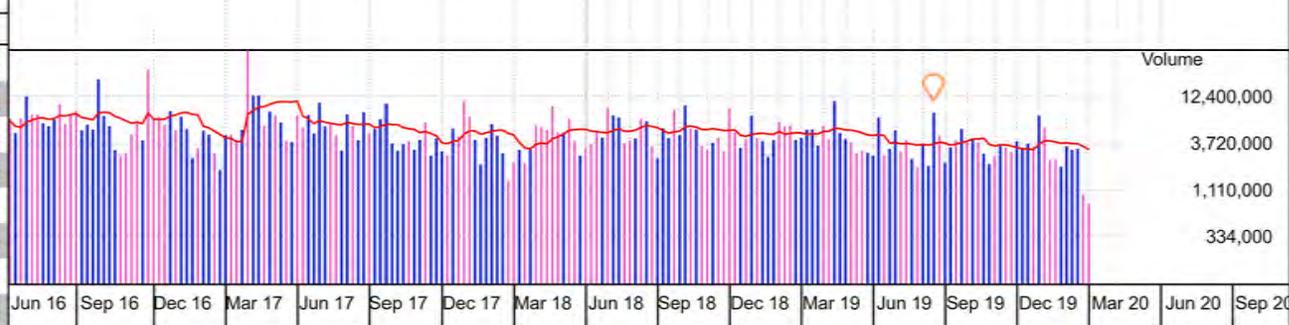
10/31/19 Raised 2019 adjusted EBITDA guidance to \$485 mil to \$500 mil

IPO 12/18/2003

Year (Dec)	EPS (\$)	Price(\$) High Low	EPS Rating	82
2012	2.58	87 20	Group RS Rating	72
2013	2.38	54 29	SMR Rating	A
2014	2.65	62 45	Acc/Dis Rating	B+
2015	3.17	82 49	Composite Rating	94
2016	4.05	82 50	Timeliness Rating	A
2017	3.31	70 39	Sponsorship Rating	C
2018	2.95	65 38	EPS Growth Rate	3%
2019	3.78	est. 28%▲	Earnings Stability	16
2020	5.48	est. 45%▲	P/E Ratio	25 (1.3 X SP)
			5-Year P/E Range	9-26
			Return on Equity	99%
			Cash Flow	\$5.07
Yield	NONE		Debt	745%
ExDiv	8/27/08		Ownership	
Book Value	X21.85		Mgmt	3%
Inventory T/O	13.47X		Banks	0%
U/D Vol Ratio	1.0		Funds	53%
New CEO	09/2015		Beta	1.33



Quarterly	EPS(\$)	% Chg	Sales(\$Mil)	% Chg
Dec-17	0.87	-26%	631.4	-18%
Mar-18	0.46	-53%	637.4	-9%
Jun-18	0.57	+27%	659.9	0%
Sep-18	1.02	+1%	729.5	+3%
Dec-18	0.90	+3%	676.1	+7%
Mar-19	0.54	+17%	690.9	+8%
Jun-19	0.79	+39%	722.8	+10%
Sep-19	1.30	+27%	821.0	+13%



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CONSUMER

From TVs To Taillights, OLED Use Is Boosting The Fortunes Of This Firm



oled.com

As more phones and TVs get OLED displays, **Universal Display (OLED)** stands to benefit. The Ewing, N.J.-based company is a top supplier of technology and materials for OLED screens, short for organic light-emitting diode displays.

OLED screens have major benefits over traditional liquid crystal displays. OLED displays are thinner and more power efficient than LCDs and have richer color reproduction. They also are flexible, allowing for new types of devices such as folding-screen smartphones and tablets.

What's more, OLED displays also boast a faster refresh rate and greater pixel density making them better for virtual reality headsets, gaming PCs and other devices with high-performance screens.

"OLEDs are about a \$25 billion a year business and that's only in the products we have today," Universal Display Chief Executive Steven Abramson said at the company's June 20 annual shareholders meeting. "The future looks exceedingly bright."

Universal Display Stock Breaks Out Twice

Universal Display stock has been riding high following better-than-expected first quarter results released May 2.

The company earned 66 cents a share on sales of \$87.8 million in the March quarter. Analysts expected earnings

of 26 cents a share on sales of \$61 million, according to Zacks Investment Research. On a year-over-year basis, earnings soared 408% while sales jumped 101%.

On June 18, Universal Display stock broke out of a second-stage cup-with-handle base at a buy point of 177.05. It has remained in the 5% buy zone since then.

Earlier in the year, on Feb. 22, the stock burst out of a first-stage consolidation at a buy point of 130.70.

OLED Display Drivers

The main driver of OLED sales today is smartphones. Samsung was an early adopter of the technology for its Galaxy handsets a decade ago. **Apple (AAPL)** was late to the market, debuting its first OLED-screen iPhone in November 2017.

"Samsung started the smartphone OLED revolution about 10 years ago with their first Galaxy product," Abramson said. "It put them mainstream in the smartphone market and frankly enabled our growth. That's been a very great relationship between us and Samsung."

Sales of OLED-screen mobile phones are forecast to reach 474 million units in 2019, up 16% from last year, according to IHS Markit. The research firm predicts that OLED mobile phones will reach sales of 721 million units in 2023.

The second largest market for OLED display sales today is televisions, led by LG Electronics. IHS Markit is predicting OLED TV sales of 3.9 million units this year, up 30%. It is modeling OLED TV sales to increase to 12.1 million units in 2023.

TVs are a good market for Universal Display. Their larger screen sizes increase the demand for its OLED display materials, namely proprietary phosphorescent emitters.

Emerging Markets

Last year, Universal Display got 62% of its revenue from material sales, 33% from royalties and licensing, and 5% from contract research services.

The special properties of OLED displays allow for new forms of televisions. Those include super-thin, wallpaper TVs and rollable screen TVs that can retract into a cabinet.

Wearable devices such as smartwatches and fitness bands make up a distant third segment of the current OLED market. Emerging markets for OLED displays include virtual reality headsets, notebook PCs, automotive dashboard displays and lighting, Abramson said.

The emergence of folding screen smartphones from Samsung and Chinese handset makers is a positive development for Universal Display, he said.

"It's good for us because you have two screens when you buy a foldable display," he said. "Also, when you put foldable together with 5G, we think that's a whole new replacement cycle."

German Automakers Using OLED Displays For Taillights

Another area where OLEDs are cropping up is in taillights for cars.

"The big three German auto manufacturers — Audi, BMW and Mercedes — are putting OLED taillights in some of their cars," Abramson said. "It's for beauty and can really differentiate their cars from other cars on the road."

The new uses for OLEDs have expanded Universal Display's customer base.

"Five years ago, we basically had one customer and that was Samsung," Abramson said. Still, its two largest customers accounted for 70% of revenue last year. "We expect continued customer diversification in the business."

Adapted from an article published on June 28, 2019 in *Investor's Business Daily*.

Universal Display Corp

Universal Display Corp (OLED) NASDAQ Elec-Misc Products

Volume 897,600 \$206.07 -6.63

Options Yes
Short Interest 2.3 days +17%

Market Capitalization \$9708.0 Million
Shares in Float 41.9 Million
Shares Outstanding 47.1 Million

50-Day Avg Volume 494,400
Off 52-Week High -10.5%
52-Week Hi-Lo \$230.32-\$78.78

HEADQUARTERS: Ewing, NJ

PHONE: 609-671-0980

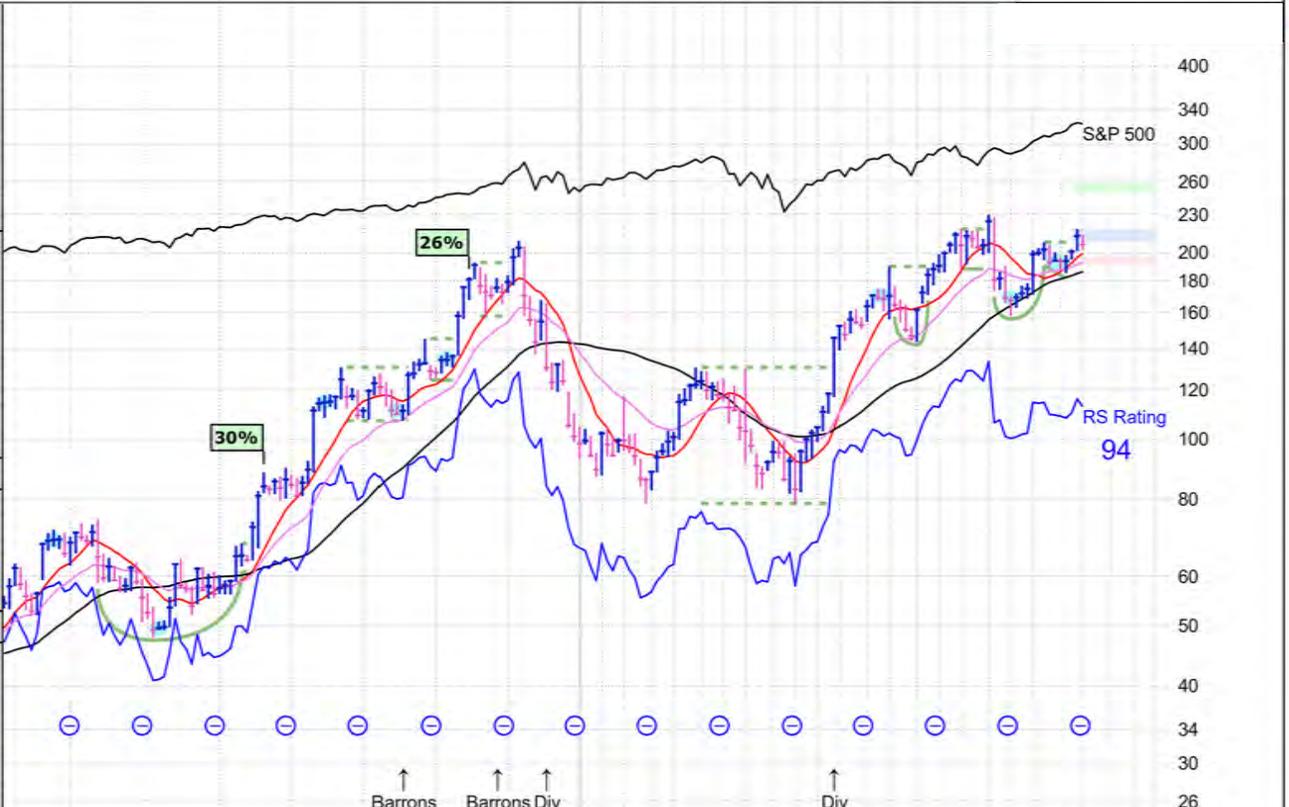
www.udcoled.com

DESIGNS ORGANIC LIGHT EMITTING DIODE DEVICES FOR FLAT PANEL DISPLAYS USED IN THE CONSUMER ELECTRONICS MARKET.

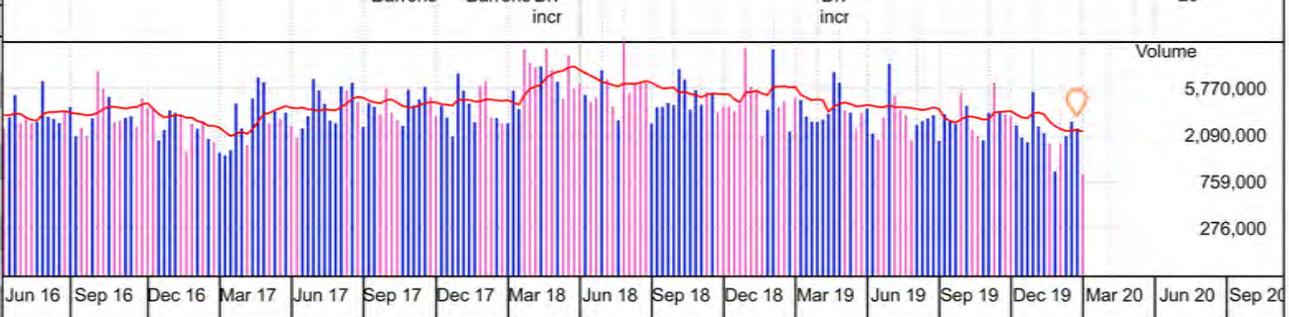
10/30/19 Raised 2019 revenues guidance to \$400 mil to \$410 mil

IPO 4/11/1996

Year (Dec)	EPS (\$)	Price(\$) High Low	EPS Rating	98
2012	0.21	48 21	Group RS Rating	71
2013	0.70	39 24	SMR Rating	A
2014	0.90	39 22	Acc/Dis Rating	B-
2015	0.94	57 25	Composite Rating	97
2016	1.02▲	74 40	Timeliness Rating	A
2017	2.47	192 55	Sponsorship Rating	B
2018	1.24	209 78	EPS Growth Rate	26%
2019	3.10	est. 150%▼	Earnings Stability	25
2020	4.07	est. 31%▼	P/E Ratio	75 (3.8 X SP)
Yield 0.2%			5-Year P/E Range	30-105
ExDiv 12/12/19			Return on Equity	9%
Book Value X14.18			Cash Flow	\$0.30
Inventory T/O 4.66X			Debt 0%	Ownership
U/D Vol Ratio 1.3			R&D 21.7%	Mgmt 4%
New CEO N/A			Alpha 0.14	Banks 0%
			Beta 2.11	Funds 53%
Top RS in Grp	Symbol	RS	EPS Rtg	No. of Funds
Synaptics	SYNA	98	29	Dec-18 537
Zebra Tech	ZBRA	90	96	Mar-19 531
Knowles	KN	83	66	Jun-19 551
Sensata	ST	70	65	Jun-19 551
DolbyLab	DLB	53	88	Sep-19 617



Quarterly	EPS(\$)	% Chg	Sales(\$Mil)	% Chg
Dec-17	0.95	+73%	115.9	+55%
Mar-18	0.13	-41%	43.6	-22%
Jun-18	0.23	-77%	56.2	-45%
Sep-18	0.48	+71%	77.6	+26%
Dec-18	0.40	-58%	70.1	-39%
Mar-19	0.66	+408%	87.8	+101%
Jun-19	0.92	+300%	118.2	+110%
Sep-19	0.78	+63%	97.5	+26%



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This Company Gets A Lift From Its 5G Rollout



keysight.com

Keysight Technologies (KEYS) is the IBD Stock Of The Day as the maker of measurement and testing systems for the communications and electronics industries continues to shine after a breakout earlier this year.

On Jan. 24, Keysight stock broke out of a 21-week cup base at a buy point of 70.50. On the stock market today, Keysight stock rose 1.7% to 89.84. It recently slipped back to the top of the 20%-25% profit zone, so investors should consider locking in some gains if they haven't already done so.

Keysight stock has an IBD Relative Strength Rating of 96, meaning it has outperformed 96% of stocks over the past 12 months. It is a member of IBD's Electronics-Scientific/Measuring industry group, which ranks No. 20 out of 197 groups.

The Santa Rosa, Calif.-based company spun off from **Agilent Technologies (A)** in November 2014, but its roots trace back to Silicon Valley icon Hewlett-Packard.

Keysight Earnings Rose 82% In First Quarter

In its fiscal first quarter ended Jan. 31, Keysight earned an adjusted 93 cents a share, up 82% year over year. Sales rose 20% and topped \$1 billion for the first time in the company's history.

For its fiscal second quarter, Keysight expects to earn 96 cents a share on sales of nearly \$1.07 billion. That's based on the midpoint of its guidance. In the year-earlier period, Keysight earned 83 cents a share on sales of \$990 million.

"Keysight is at the forefront of several emerging technology trends," Chief Executive Ron Nersesian said on a first-quarter conference call with analysts Feb. 21. "With our broad and differentiated portfolio of solutions, software and services, we are capturing a significant portion of the demand we see in the marketplace."

Benefiting From 5G Network Buildout

Keysight is benefiting from the buildout of 5G wireless networks and the development of 5G communications devices, he said.

"Our pace of innovation and engagements has accelerated, and we continue to see major operator ecosystems embrace the Keysight platform," Nersesian said. "This quarter we received endorsements from SK Telecom, China Telecom, China Mobile and Softbank."

In addition to 5G business, Keysight is seeing growth in selling test and measurement gear for automotive and energy systems and high-speed networks and data centers. The company also sells gear to customers in the semiconductor and aerospace and defense sectors.

Stocks To Watch: Keysight

Keysight owns a Composite Rating of 91, hurt in part by a slowdown in earnings and sales growth when the company reported results after the close on May 29. But the results were better than expected, and shares soared 11% the next day.

Adjusted profit increased 47% from the year-ago quarter. Sales rose 10% to \$1.09 billion. The company cited growth in most end markets as customers continue to invest in next-generation technologies. It was another record quarter for 5G orders, along with double-digit software

revenue growth and double-digit services order growth

About 45% of Keysight's revenue in the quarter came from Asia, with 39% coming from the U.S. and 16% from Europe.

Keysight also announced a new \$500 million share repurchase program.

China Trade War: Huawei Impact

Shares fell hard on May 20 after Robert W. Baird downgraded shares due to Keysight's relationship with China-based telecom giant Huawei.

But it didn't take long for the stock to recover, because Keysight doesn't do a lot of business with Huawei. When the company reported earnings in May, it acknowledged some revenue impact, but it still forecast full-year revenue growth of 7% to 8%. Keysight also said it's ahead of its margin expansion plan.

Adapted from articles published on April 18 and August 12, 2019 in Investor's Business Daily.

Keysight Technologies

Keysight Technologies (KEYS) NYSE Elec-Scientific/Msrng

Volume 1,626,100 \$102.68 -0.55

Options Yes
Short Interest 6.7 days +10%

Market Capitalization \$19.35 Billion
Shares in Float 186.6 Million
Shares Outstanding 188.4 Million

50-Day Avg Volume 1,406,200
Off 52-Week High -6.7%
52-Week Hi-Lo \$110.00-\$58.24

HEADQUARTERS: Santa Rosa, CA

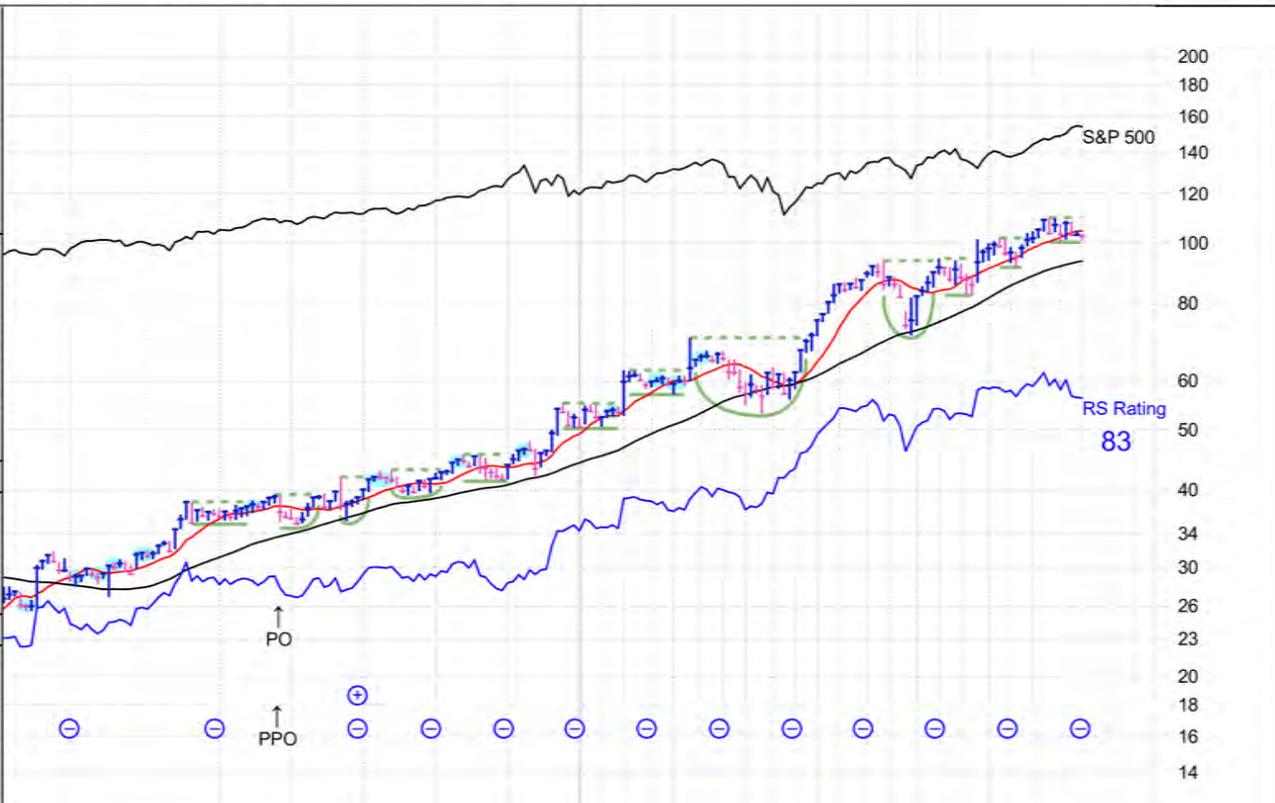
PHONE: 0124-229-201

www.keysight.com

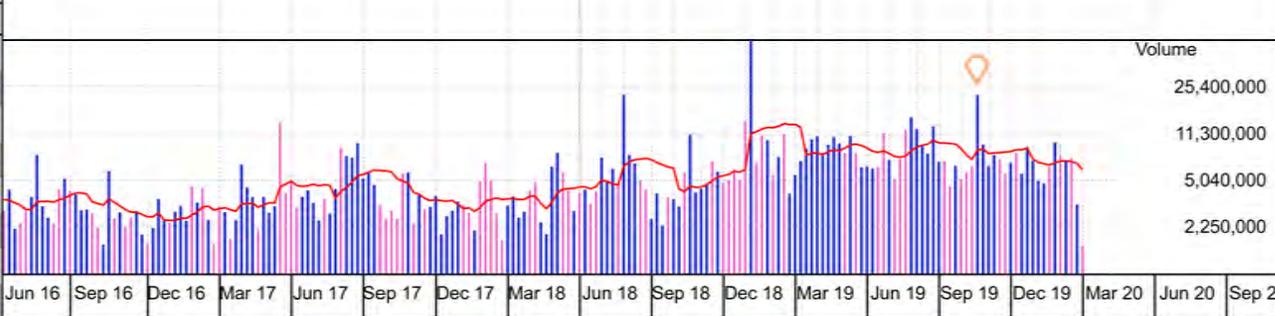
PROVIDES ELECTRONIC MEASUREMENT SOLUTION TO COMMUNICATIONS AND ELECTRONICS INDUSTRIES.

11/26/19 Expects Q1 FY20 non-GAAP earnings of \$1.04 to \$1.10 per share on revenues of \$1.045 bil to \$1.065 bil

Year (Oct)	EPS (\$)	Price(\$) High Low	EPS Rating	91
2013	2.74		Group RS Rating	14
2014	2.79	35 28	SMR Rating	A
2015	2.52	38 27	Acc/Dis Rating	C+
2016	2.43	38 21	Composite Rating	82
2017	2.53	45 35	Timeliness Rating	B
2018	3.24	70 41	Sponsorship Rating	B
2019	4.72	110 58	EPS Growth Rate	10%
2020	5.14	est. 9%▲	Earnings Stability	16
2021	5.72	est. 11%▲	P/E Ratio	22 (1.1 X SP)
			5-Year P/E Range	8-26
			Return on Equity	33%
Yield		NONE	Cash Flow	\$5.08
ExDiv		N/A	Debt	60%
Book Value		X6.41	R&D	16.0%
Inventory T/O		6.50X	Alpha	0.04
U/D Vol Ratio		0.9	Beta	1.80
New CEO		09/2013		
Top RS in Grp	Symbol	RS	EPS Rtg	No. of Funds
Itron	ITRI	94	85	Dec-18 1210
Camtek	CAMT	89	83	Mar-19 1439
Cognex	CGNX	82	52	Jun-19 1560
Cyberoptic	CYBE	75	10	Sep-19 1605
MettlerToldo	MTD	73	90	



Quarterly	EPS(\$)	% Chg	Sales(\$Mil)	% Chg
Jan-18	0.51	-11%	837.0	+15%
Apr-18	0.83	+30%	990.0	+31%
Jul-18	0.89	+46%	1004.0	+21%
Oct-18	1.01	+42%	1047.0	+19%
Jan-19	0.93	+82%	1006.0	+20%
Apr-19	1.22	+47%	1090.0	+10%
Jul-19	1.25	+40%	1087.0	+8%
Oct-19	1.33	+32%	1120.0	+7%



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SolarEdge Approaches New High And Buy Point



ChameleonsEye/Shutterstock.com

SolarEdge (SEDG) is the IBD Stock Of The Day, as the leader in the solar industry field trades near a new high and ventures close to a buy point. SolarEdge stock has jumped more than 165% this year.

Israel-based SolarEdge supplies photovoltaic inverters for residential and commercial markets. Its products convert the direct current of a solar panel into alternating current. The energy can be fed into a commercial electrical grid or used by local, off-grid electrical networks.

The company has diversified its business with mergers and acquisitions over the past year. In addition, it's in the process of doubling its manufacturing capacity for inverters and power optimizers.

Founded in 2006, the company made its initial public offering in March 2015, raising \$126 million by pricing 7 million shares at 18.

SolarEdge Stock Formation

On a weekly chart, SolarEdge stock has formed a cup-with-handle base with a buy point of 96.74. The stock is trading above its 50-day moving average, a positive element of the base.

SolarEdge stock edged down 0.3% to close at 94 on the stock market today.

The company has expanded its offerings to include large-scale photovoltaic infrastructure. It's also involved in energy storage, electric-vehicle charging and home energy management.

Early this month, Needham analyst James Ricchiuti initiated coverage on SolarEdge with a buy rating and set a price target on SolarEdge stock of 102.

"We expect SolarEdge to benefit in 2020 and 2021 from a growing product roadmap and expanded supply chain outside of China," Ricchiuti wrote in a note to clients.

"We believe SolarEdge can continue to demonstrate strong growth in revenue and earnings per share and that there is room for further share price appreciation over the next twelve months," Ricchiuti wrote. SolarEdge is fueled by "top-line momentum and improving margins in the core solar products business and new growth opportunities in adjacent markets," he said.

Double-Digit Revenue Growth

The company has posted double-digit revenue growth in the past nine quarters. Third-quarter revenue soared 74% from the year-ago period to \$410.6 million. Adjusted earnings jumped 41% to \$1.21 per share.

A fundamental and technical analysis of SolarEdge stock is a key component of determining whether it's worth buying.

The IBD Stock Checkup Tool shows that SolarEdge has an IBD Composite Rating of 99 out of a best-possible 99. The rating means SolarEdge stock currently outperforms 99% of all stocks in terms of the most important fundamental and technical stock-picking criteria.

It has a Relative Strength Rating of 98 out of 99. The rating tracks market leadership by showing how a stock's price movement over the past 52 weeks measures up against that of all other stocks in IBD's database.

EPS Rating, Institutional Demand

SolarEdge stock has a strong EPS Rating of 96, which compares quarterly and annual earnings-per-share growth with all other stocks.

In healthy signs of institutional demand, SolarEdge sports a solid B+ Accumulation/Distribution Rating and three quarters of rising fund ownership.

SolarEdge currently holds the No. 1 ranking among its peers in IBD's Energy-Solar industry group. **Enphase Energy (ENPH)** is No. 2 in the group, followed by **Daqo New Energy (DQ)**.

The group ranks No. 99 among 197 industry groups in recent performance.

Adapted from an article published on December 30, 2019 in *Investor's Business Daily*.

SolarEdge Technologies

Solaredge Technologies (SEDG) NASDAQ Energy-Solar

Volume 1,087,200 \$95.09 +0.83

Options Yes
Short Interest 5.2 days -9%

Market Capitalization \$4622.3 Million
Shares in Float 44.7 Million
Shares Outstanding 48.6 Million

50-Day Avg Volume 1,332,900
Off 52-Week High -1.7%
52-Week Hi-Lo \$96.69-\$33.88

HEADQUARTERS: ISRAEL

PHONE:

www.solaredge.com

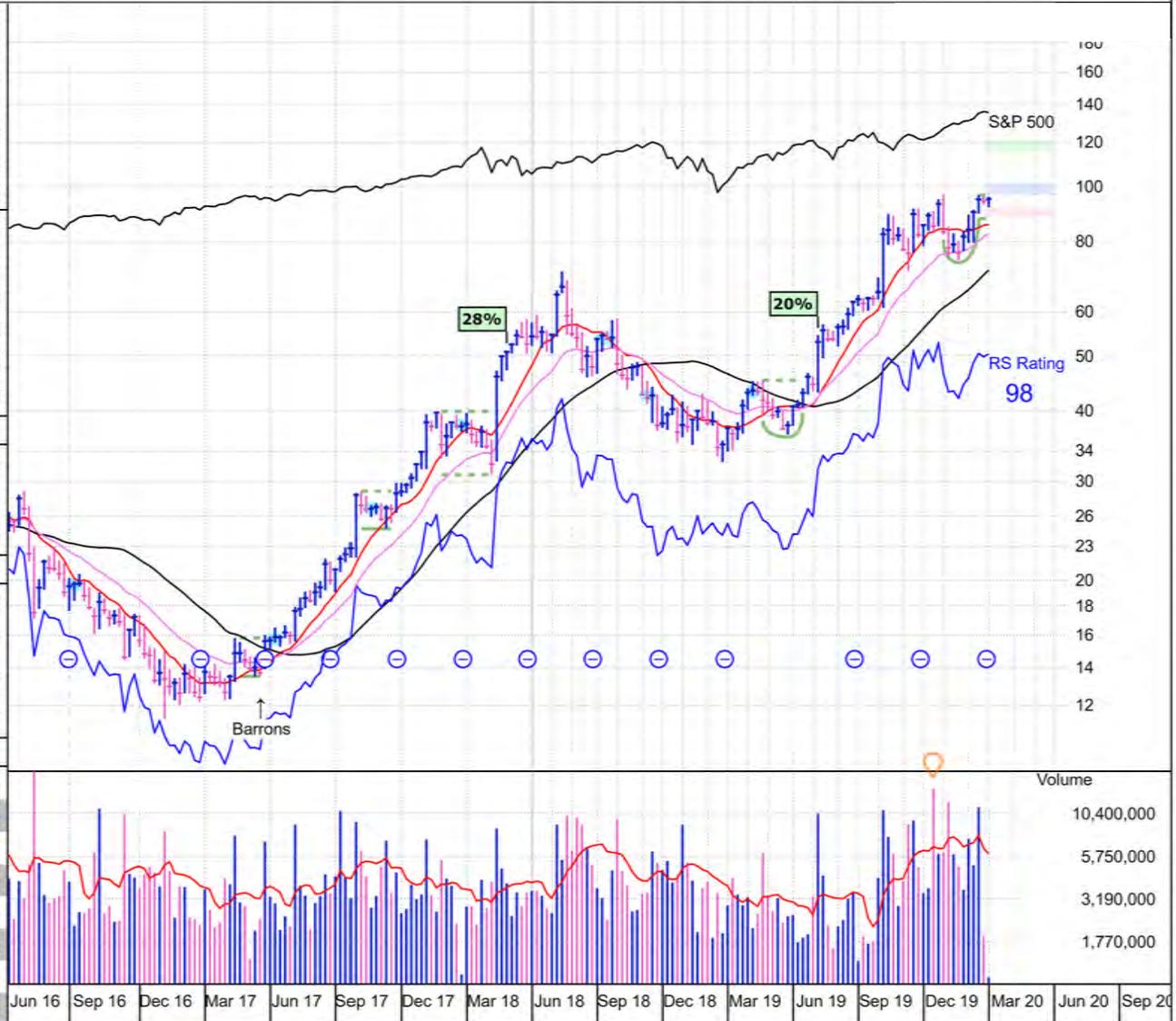
ISRAEL-BASED MAKER OF DC OPTIMIZED INVERTER SYSTEMS, SOLAR POWER HARVESTING AND PV MONITORING SOLUTIONS.

11/06/19 Expects Q4 2019 revenues of \$410 mil to \$420 mil

IPO 3/26/2015

Year (Dec)	EPS (\$)	Price(\$) High Low	EPS Rating	96
2012	-0.75		Group RS Rating	69
2013	-0.67		SMR Rating	A
2014	-0.02		Acc/Dis Rating	B+
2015	1.33	43 15	Composite Rating	99
2016	1.72	30 11	Timeliness Rating	B
2017	2.43	39 12	Sponsorship Rating	D
2018	3.17	70 30	EPS Growth Rate	46%
2019	4.01	est. 26%▲	Earnings Stability	32
2020	4.70	est. 17%▲	P/E Ratio	27 (1.4 X SP)
			5-Year P/E Range	7-68
			Return on Equity	33%
			Cash Flow	\$3.72
Yield	NONE		Debt	1%
ExDiv	N/A		R&D	8.8%
Book Value	X8.12		Alpha	0.37
Inventory T/O	8.35X		Beta	0.60
U/D Vol Ratio	1.0			
New CEO	N/A			
Top RS in Grp	Symbol	RS	EPS Rtg	No. of Funds
EnphasEnergy	ENPH	99	77	Dec-18 272
JinkoSol	JKS	95	52	Mar-19 274
DaqoEnergy	DQ	93	43	Jun-19 327
CdnSolar	CSIQ	82	38	Sep-19 361
AzurePower	AZRE	77	29	

Quarterly	EPS(\$)	% Chg	Sales(\$Mil)	% Chg
Dec-17	0.85	+166%	189.3	+70%
Mar-18	0.87	+142%	209.9	+82%
Jun-18	0.82	+49%	227.1	+67%
Sep-18	0.86	+30%	236.6	+42%
Dec-18	0.63	-26%	263.7	+39%
Mar-19	0.64	-26%	271.9	+30%
Jun-19	0.94	+15%	325.0	+43%
Sep-19	1.21	+41%	410.6	+74%



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StoneCo: Buffett-Backed Payments Stock Back In Buy Zone



stone.co

StoneCo (STNE) is the IBD Stock Of The Day as the fast-growing, Warren-Buffett-backed Brazilian payments stock makes another run at a buy zone. This time, an X-factor turning from headwind to tailwind, or at least neutral, could make a difference for StoneCo stock.

StoneCo stock, a member of the IBD 50 list, seems to check a lot of boxes for growth stock investors: It is in the hot payments industry, with fast-growing revenue (55% in U.S. dollars) and profit (70%), and it's in the suddenly-in-favor emerging-market sector. Warren Buffett's **Berkshire Hathaway (BRKB)** is a notable StoneCo stock investor. So are several T. Rowe Price funds and several other A+ funds.

StoneCo stock has recently gotten the better of another 2018 Brazilian payments IPO, **PagSeguro Digital (PAGS)**, in terms of share performance. But several other payments stocks — notably long-term leaders **Mastercard (MA)**, **Visa (V)** and **Fiserv (FISV)** — have been performing better with less volatility.

StoneCo Stock Analysis

Amid modest stock market gains Tuesday, StoneCo stock climbed 4% to 39.89, back above a 38.47 handle buy point as well as an alternative entry of 39.55. Shares are peaking above a short-term trendline from late November.

On a weekly chart, StoneCo stock is rebounding from its 10-week line.

StoneCo stock initially broke out past 38.47 and 39.55 on Nov. 22, following earnings. But after a few days, StoneCo stock tumbled below those entry levels. On Dec. 3, shares plunged as low as 35.03, undercutting the 50-day line and dropping nearly 9% from the 38.47 buy point. That would normally trigger the 7%-8% automatic sell rule, but shares almost immediately rebounded, to close higher. Since then, shares have been trading around the buy point. Trading has been relatively tight in recent weeks, especially for the volatile StoneCo stock.

At the end of this week, Stone Co stock likely will have another short base, with a potential 41.98 entry.

Brazil Currency, Economy On The Mend

StoneCo has seen explosive growth despite Brazil's economic struggles. But the macro picture could be turning more helpful. Brazil's economy grew 0.6% in the third quarter, the fastest since Q1 2018. Brazil's currency, the real, dived to a record low against the dollar in late November — just days after the third-quarter StoneCo earnings report. That took the real 16% below its level vs. the dollar when StoneCo went public.

In recent weeks, the dollar has softened against international currencies, including about 5% vs. the real. That's happened as the U.S. and China sealed a trade deal expected to take pressure off the global economy. Meanwhile, the Fed said it didn't expect any rate hikes before 2021 as policymakers aim to stoke inflation past the 2% official target.

Brazil Payments Stocks

StoneCo stock and PagSeguro stock are leading Brazil's payments sector, with plenty of encouragement from the government. A relatively low 40% of Brazil consumption is paid for with debit and credit cards. The government, with an eye on collecting more taxes, has a mandate of 60% within three years.

Brazil also has an unbanked population of around 60 million. Many of them use official boleto vouchers — a form of printable scrip — to make payments. On top of that, merchant transactions traditionally take 30 days to settle, and customers habitually opt to pay in installments.

StoneCo Momentum

That helps explain why StoneCo's business of providing the digital infrastructure to modernize Brazil's retail sector is surging. StoneCo added 68,700 small and midsize business customers in the third quarter, lifting its total to 428,900. That includes about 100,000 — up 30,000 from Q2 — that use StoneCo software solutions to handle accounting and run other aspects of their businesses, both online and off.

Now StoneCo is seizing the opportunity to gain market share in financial services. In March, the company started providing working capital to its customers. Through Q2, it had disbursed loans to 3,000 clients. That jumped to 13,000 by the end of Q3.

StoneCo earnings surged 900%, 467%, 467%, 157% and 70% in the last five quarters. Sales growth has cooled to a still-hot 55% in the third quarter. Analysts expect StoneCo earnings to soar 93% for the full year and a robust 43% in 2020.

Adapted from an article published on December 31, 2019 in *Investor's Business Daily*.

StoneCo Ltd

Stoneco Ltd CI A (STNE) NASDAQ Finance-CrdtCard/PmtPr

Volume 1,824,200 \$39.89 +0.82

Options Yes
Short Interest 5.6 days -7%

Market Capitalization \$11.06 Billion
Shares in Float 271.7 Million
Shares Outstanding 277.3 Million

50-Day Avg Volume 1,900,600
Off 52-Week High -12.6%
52-Week Hi-Lo \$45.62-\$17.30

HEADQUARTERS: BRAZIL

PHONE:

www.stone.com.br

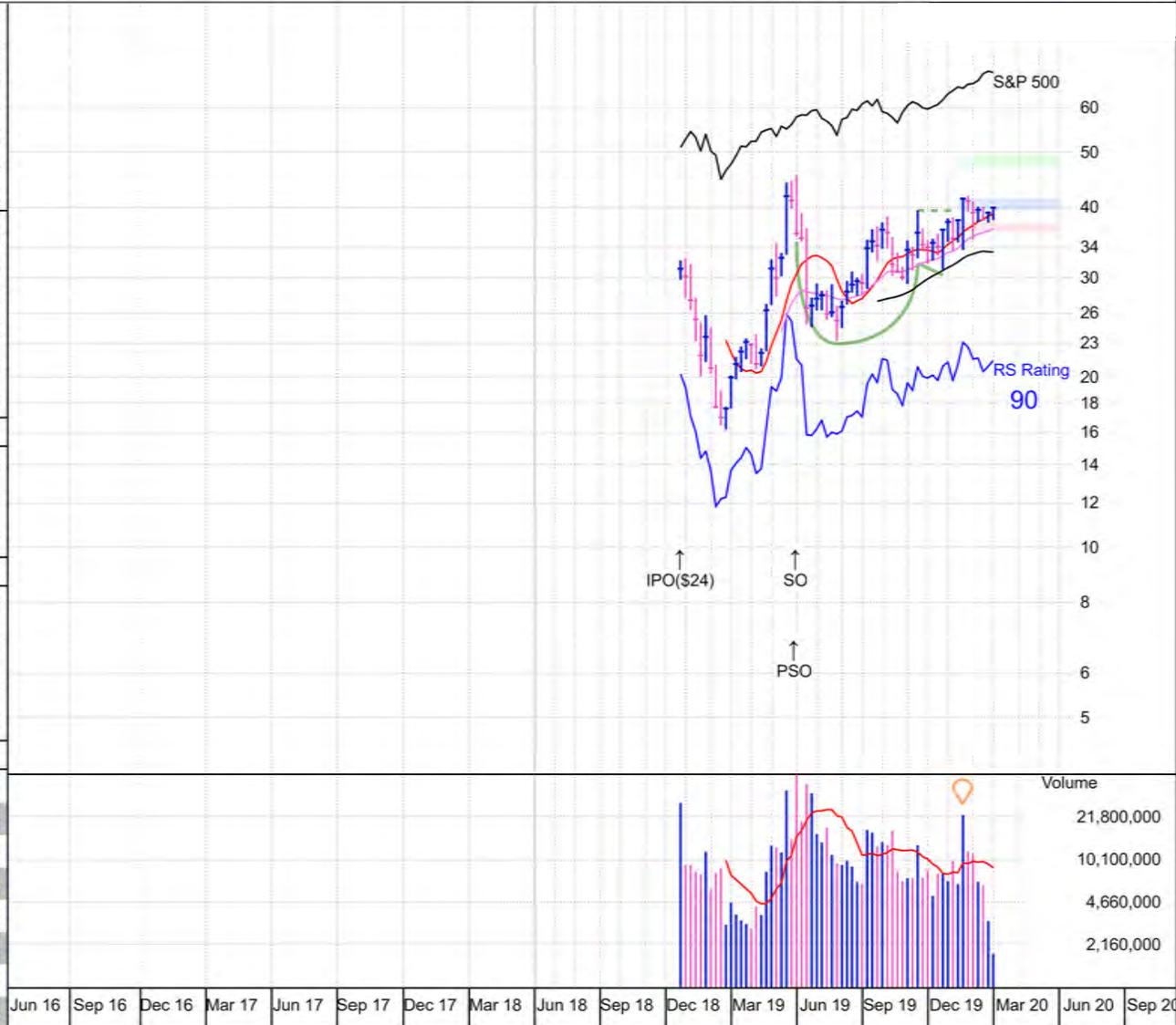
BRAZILIAN COMPANY PROVIDES FINANCIAL TECHNOLOGY SOLUTIONS FOR MERCHANTS AND INTEGRATED PARTNERS.

05/13/19 To repurchase up to \$200 mil worth of Class A common stock outstanding

IPO 10/25/2018

Year (Dec)	EPS (\$)	Price(\$) High Low	EPS Rating	84
2012			Group RS Rating	36
2013			SMR Rating	A
2014			Acc/Dis Rating	D-
2015			Composite Rating	83
2016	0.13		Timeliness Rating	B
2017	0.06		Sponsorship Rating	A
2018	0.37	32 16	EPS Growth Rate	N/A
2019	0.72	est. 92%▲	Earnings Stability	N/A
2020	1.03	est. 43%▲	P/E Ratio	56 (2.8 X SP)
			5-Year P/E Range	35-88
			Return on Equity	12%
			Cash Flow	\$0.41
Yield	NONE		Debt	0%
ExDiv	N/A		R&D	N/A
Book Value	X8.09		Alpha	0.16
Inventory T/O	N/A		Beta	2.10
U/D Vol Ratio	1.1			
New CEO	N/A			
Top RS in Grp	Symbol	RS	EPS Rtg	No. of Funds
AstaFnd	ASFI	98	26	Dec-18 200
Everi	EVRI	97	77	Mar-19 175
Cardtronics	CATM	95	71	Jun-19 203
Repay A	RPAY	91	4	Sep-19 230
Global Paymts	GPN	90	96	

Quarterly	EPS(\$)	% Chg	Sales(\$Mil)	% Chg
Dec-17	0.03	+143%	74.7	+30%
Mar-18	0.03	+200%	86.7	+65%
Jun-18	0.07	+600%	90.4	+81%
Sep-18	0.10	+900%	103.7	+75%
Dec-18	0.17	+467%	136.6	+83%
Mar-19	0.17	+467%	137.7	+59%
Jun-19	0.18	+157%	153.0	+69%
Sep-19	0.17	+70%	161.1	+55%



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12.31.2019

No. 1 Stock With 51.8% Profit Margin Aims To Broker New Breakout



marketaxess.com

Any company with an annual pretax profit margin of 51.8% earns a spot among the best stocks to watch. Electronic trading platform operator **MarketAxess (MKTX)** carries that distinction, while also sporting a 31.9% return on equity.

Fellow member of the investment brokers industry group **Charles Schwab (SCHW)** is also showing an impressive 41.5% profit margin. Schwab also tops the 17% ROE benchmark you look for with a score of 17.9%.

Impressive profitability is one reason New York-based MarketAxess holds the No. 1 ranking among its peers with the highest-possible 99 Composite Rating. San Francisco-based Charles Schwab ranks fourth with a 94. The group itself currently ranks No. 85 out of the 197 groups IBD tracks.

Institutional Investors Buy Into MarketAxess Stock

The company offers large investors expanded liquidity across global fixed-income markets. In 2018, a record \$1.8 trillion of U.S. investment-grade bonds, U.S. high-yield bonds, emerging market debut, Eurobond and other fixed-income securities traded through the company's trading technology.

Institutional investors have taken note. MarketAxess stock currently has a 1.5 up/down volume ratio and has seen

four quarters of rising fund ownership. Plus, 104 mutual funds with an A+ rating from IBD have reported owning a position in the stock.

The stock's Accumulation/Distribution Rating, which tracks institutional buying over the trailing 13 weeks, is a C. See if it can return to a B or higher to further confirm demand.

MarketAxess Rebounds To Form Handle

MarketAxess pulled back on Sept. 9 and 10, falling below its 50-day line. But the stock bounced back and retook that benchmark line on Nov. 11. The stock has since gone on to form a handle and is now showing a 411.97 buy point in a cup with handle base.

See if the stock can clear that entry in volume at least 40% above average. Also look for the relative strength line to reach new-high ground on any attempt to break out.

On Wednesday, MarketAxess slipped just under 1% and is testing support at its short-term 10-day line. Volume came in above average, so keep an eye on that in the coming days.

Adapted from an article published on December 4, 2019 in Investor's Business Daily.

MarketAxess Holdings Inc

MarketAxess Holdings Inc (MKTX) NASDAQ Finance-Invest Bnk/Bkrs

Volume 325,200 \$379.11 +4.11

Options Yes
Short Interest 6.1 days +14%

Market Capitalization \$14.32 Billion
Shares in Float 36.3 Million
Shares Outstanding 37.8 Million

50-Day Avg Volume 269,100
Off 52-Week High -10.0%
52-Week Hi-Lo \$421.45-\$205.20

HEADQUARTERS: New York, NY

PHONE: 212-813-6000

www.marketaxess.com

PROVIDES ELECTRONIC TRADING OF U.S. AND EUROPEAN CORPORATE BONDS TO BROKER-DEALERS AND INSTITUTIONAL CLIENTS.

11/04/19 Acquired LiquidityEdge, provider of U.S. Treasuries marketplace, for \$100 mil in cash and \$50 mil in Co's stk

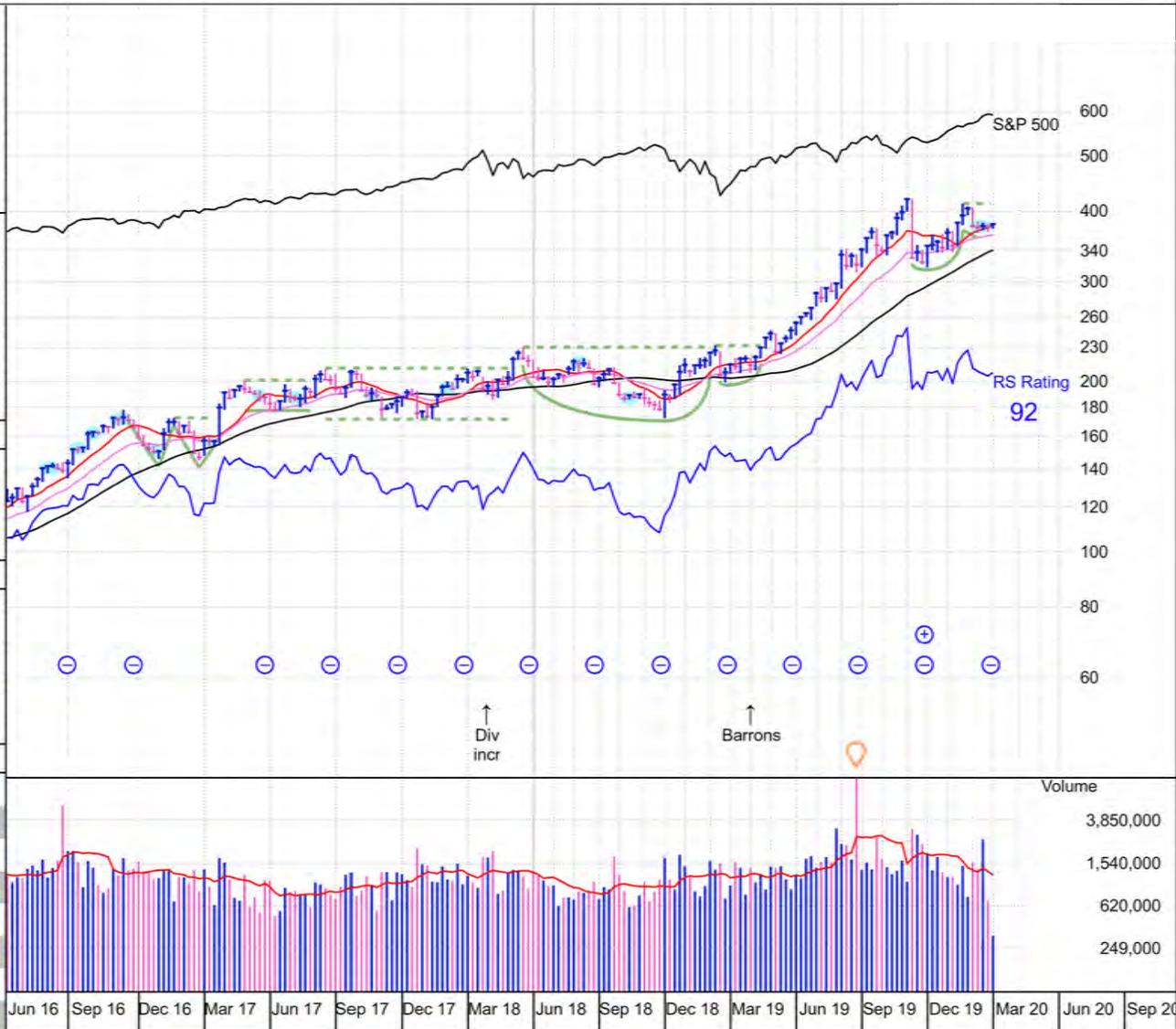
IPO 11/05/2004

Year (Dec)	EPS (\$)	Price(\$) High Low	EPS Rating	97
2012	1.46	36 25	Group RS Rating	52
2013	1.73▲	71 34	SMR Rating	A
2014	1.97	73 47	Acc/Dis Rating	D
2015	2.55▲	115 66	Composite Rating	97
2016	3.34▲	178 98	Timeliness Rating	A
2017	4.20▲	211 145	Sponsorship Rating	B
2018	4.72▲	231 172	EPS Growth Rate	24%
2019	5.42 est.	15%▼	Earnings Stability	5
2020	6.14 est.	13%▼	P/E Ratio	70 (3.5 X SP)
			5-Year P/E Range	31-79
			Return on Equity	32%
			Cash Flow	\$5.36

Yield	0.5%	
ExDiv	11/05/19	
Book Value	X23.27	
Inventory T/O	N/A	
U/D Vol Ratio	1.1	
New CEO	N/A	
Debt	0%	Ownership
R&D	N/A	Mgmt
Alpha	0.18	Banks
Beta	0.56	Funds

Top RS in Grp	Symbol	RS	EPS Rtg	No. of Funds
B Riley Finl	RILY	91	98	Dec-18 605
LPLFncI	LPLA	87	95	Mar-19 642
Amerprise	AMP	87	89	Jun-19 972
IntlFcstone	INTL	86	86	Sep-19 1171
XP CI A	XP	78	99	

Quarterly	EPS(\$)	% Chg	Sales(\$Mil)	% Chg
Dec-17	▲ 1.19	+35%	98.6	+4%
Mar-18	▲ 1.30	+17%	114.7	+11%
Jun-18	▲ 1.10	+10%	107.0	+11%
Sep-18	▲ 1.06	+18%	101.4	+6%
Dec-18	▲ 1.26	+6%	112.4	+14%
Mar-19	▲ 1.39	+7%	124.5	+9%
Jun-19	▲ 1.27	+15%	125.5	+17%
Sep-19	▲ 1.42	+34%	131.6	+30%



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12.31.2019

This Payment Processing Stock With Global Reach Is Out Of This World



tsys.com

Global Payments (GPN) has seen its value sprint ahead as it continues to expand through organic growth and mergers. And the payment processing company's stock appears headed for further gains, just as it reaches a new buy point.

Over the past year, Global Payments stock has outperformed the broader industry. Shares have jumped nearly 70% in 2019 alone.

Now, Global Payments looks poised for more growth after agreeing in May to buy **Total System Services (TSS)** in a \$21.5 billion all-stock deal. The deal is expected to help Global Payments, which provides payment processing services to merchants in North America, Europe and Asia-Pacific, extend its reach even further.

Piper Jaffray senior analyst Jason Deleeuw is bullish on the stock's prospects. He rates it as overweight with a 195 target, and believes its leadership in the small-to-medium business space is key to setting the company apart.

"It's one of our favorites. It's been one of our top ideas this year," he told Investor's Business Daily. "They were one of the early merchant processors to position themselves in the integrated point-of-sale channel. So they've been able to take a lot of market share."

Global Payments Stock: Getting An Edge

Global Payments provides a wide range of payment processing solutions, including e-commerce, omnichannel and cross-border offerings. A specific strength highlighted by analysts is its integrated point-of-sale solutions for small and midsize businesses.

The firm's OpenEdge platform allows merchants to accept card, electronic, check and digital-based payments and uses software to simplify the tracking process. It includes security features such as end-to-end encryption and tokenization.

Deleeuw said Global Payments' strong offerings and early mover advantage have helped it vacuum up small-to-medium size businesses. Other big beasts in the integrated processing space include Worldpay, which itself has been acquired by **Fidelity National Information Services (FIS)**.

With consolidation occurring in the space, and the retail environment still strong, the analyst expects growth will continue to accrue.

"U.S. retail sales are growing 3%-4% right now and then on top of that you've got the secular shift, which is the displacement of cash and check in favor of electronic payments over the **Visa (V)** and **Mastercard (MA)** networks," Deleeuw said. "For merchant processors there's 3-4 points of growth due to the secular shift if they are holding market share. (Leading) players like Global Payments can grow a little bit faster than that, for a total of 9%-10% (growth), as they are taking market share."

Payment Processing Merger Adds Value

Global Payments' acquisition of Total System Services will give it even more share, as well as widening its exposure to the fast-growing global payments market. At the moment it operates in 32 countries throughout North America, Europe and Asia-Pacific, as well as Brazil.

The merger will see it have presence in more than 100 countries. Combined it will provide payment services to around 3.5 million small- to medium-sized merchants around the world.

Chief Executive Jeff Sloan highlighted the importance of the deal to the company's future prospects during its second-quarter earnings call in July.

"This partnership creates the preeminent pure play payments technology company at scale, focused on small and midsize businesses and leading financial institutions in the most attractive markets globally," he said. "The merger accelerates our technology-enabled software-driven payment strategies and positions our merchant business as the leading provider of integrated payments and e-commerce and omnichannel solutions globally."

It is one of three massive mergers this year in the payments space as firms race to consolidate. Fidelity National Information Services bought Worldpay for about \$43 billion, while **Fiserv (FISV)** acquired First Data for \$22 billion.

Deal Tipped For Success

Wedbush Securities analyst Moshe Katri, who rates Global Payments stock as outperform with a 185 target, said the company may have sealed the best of the deals.

"Among the three (Global Payments) probably has the best track record on integrating acquisitions, and then in terms of quality I would place (Global Payments), Fidelity National Information Services and then last I would place Fiserv," he told IBD.

Global Payments sees the deal, set to close in the fourth quarter, resulting in at least \$300 million in annual cost savings. The companies also expect to realize \$100 million in annual synergies by cross-selling through a combined distribution network.

Adapted from an article published on September 6, 2019 in *Investor's Business Daily*.

Global Payments Inc

Global Payments Inc (GPN) NYSE Finance-CrdtCard/PmtPr

Options Yes
Short Interest 3.5 days +37%

Market Capitalization \$54.89 Billion
Shares in Float 297.5 Million
Shares Outstanding 300.5 Million

Volume 1,625,100 \$182.64 -0.25
50-Day Avg Volume 1,672,000
Off 52-Week High -1.5%
52-Week Hi-Lo \$185.42-\$98.56

HEADQUARTERS: Atlanta, GA

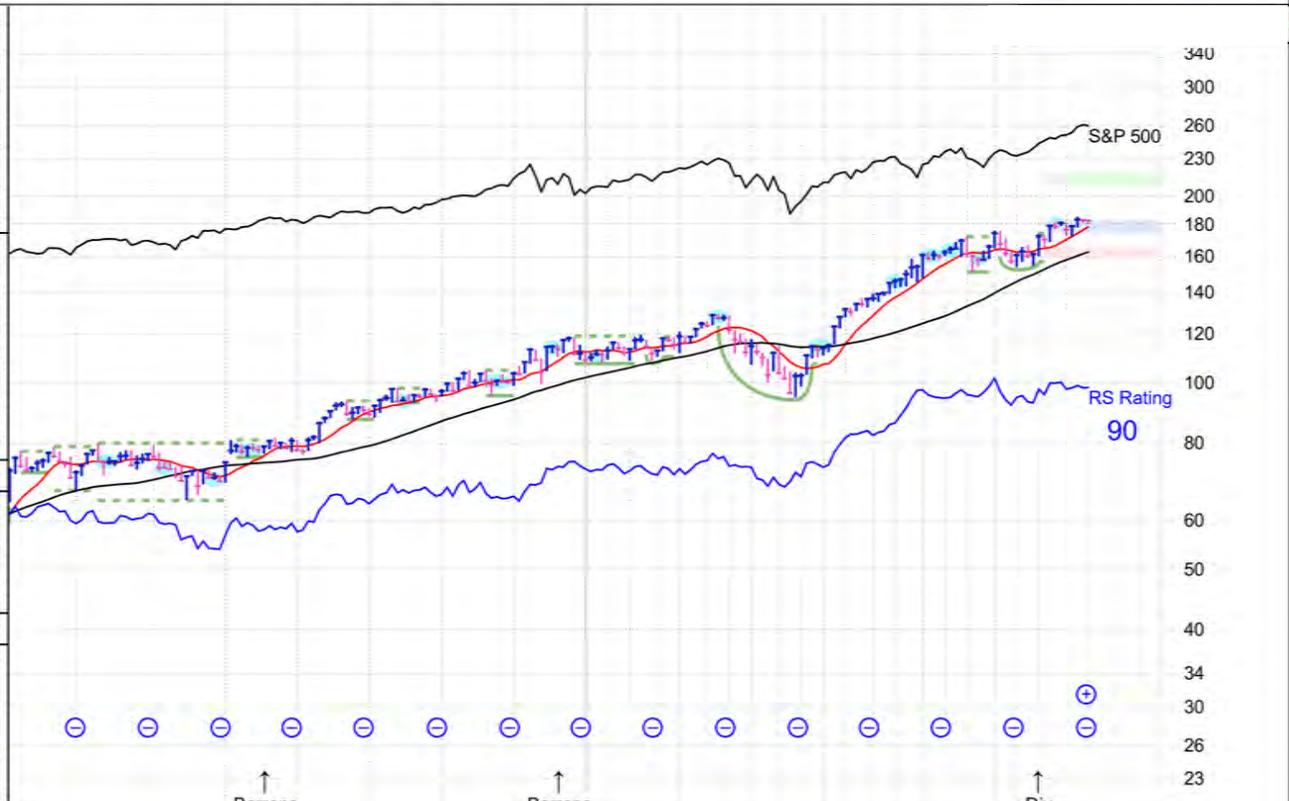
PHONE: 770-829-8000

www.globalpaymentsinc.com

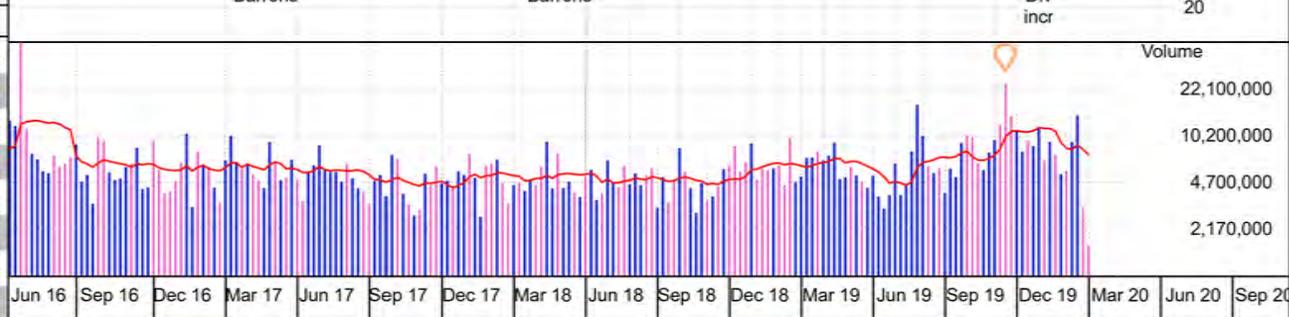
PROVIDES ELECTRONIC PAYMENTS PROCESSING TO CONSUMERS, MERCHANTS, CORPORATIONS, FINANCIAL INSTITUTIONS

10/31/19 Raised 2019 adj earnings guidance to \$6.12 to \$6.20 per dil share/expects revenues of \$4.87 mil to \$4.90 mil

Year (Dec)	EPS (\$)	Price(\$) High Low	EPS Rating	96
2012	1.82	26 19	Group RS Rating	36
2013	1.97	32 21	SMR Rating	A
2014	2.32	43 31	Acc/Dis Rating	B+
2015	2.79	74 38	Composite Rating	97
2016	3.19	79 51	Timeliness Rating	A
2017	4.01	104 68	Sponsorship Rating	B
2018	5.19	129 94	EPS Growth Rate	22%
2019	6.17	est. 19% ▼	Earnings Stability	3
2020	7.55	est. 22% ▲	P/E Ratio	31 (1.6 X SP)
Yield		0.4%	5-Year P/E Range	16-32
ExDiv	12/12/19		Return on Equity	21%
Book Value	X13.66		Cash Flow	\$6.46
Inventory T/O	N/A		Debt	126%
U/D Vol Ratio	2.5		R&D	N/A
New CEO	10/2013		Alpha	0.11
			Beta	1.13
Ownership			Mgmt	1%
Top RS in Grp			Banks	4%
AstaFnd	ASFI	98	Funds	53%
Everi	EVRI	97	No. of Funds	
Cardtronics	CATM	95	Dec-18	1261
Repay A	RPAY	91	Mar-19	1342
StoneCo	STNE	90	Jun-19	1461
			Sep-19	1748



Quarterly	EPS(\$)	% Chg	Sales(\$Mil)	% Chg
Dec-17	1.07	+23%	1054.3	+11%
Mar-18	1.13	+33%	795.0	-14%
Jun-18	1.29	+37%	833.2	-13%
Sep-18	1.44	+25%	857.7	-17%
Dec-18	1.33	+24%	880.6	-16%
Mar-19	1.34	+19%	883.0	+11%
Jun-19	1.51	+17%	935.2	+12%
Sep-19	1.70	+18%	1105.9	+29%



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12.31.2019

Fiserv Among World's Most Admired Companies



Tada Images/Shutterstock.com

Fortune has named **Fiserv (FISV)** one of the world's most admired companies. The financial leader has also delivered 122% sales growth in the latest quarter.

Fortune has named Fiserv one of the world's most admired companies for six years running. Fortune ranks companies based on nine key attributes, including financial soundness, long-term investment value, people management, social responsibility and quality of products.

Fiserv helps companies move money and information quickly and securely. From payment processing to channel management and compliance, Fiserv handles financial transactions from start to finish.

Founded in 1984, Fiserv has approximately 44,000 associates worldwide, working with thousands of clients and millions of businesses of every size. The Wisconsin-based company generated over \$15 billion in revenue in 2018.

Breakout Watch: Fiserv Tests Buy Zone On Triple-Digit Growth

Fiserv stock is testing a 110.02 entry in a flat base after getting a boost from a 122% spike in quarterly sales and a 17% rise in adjusted earnings. The stock was added to Leaderboard Thursday, when it broke out past the buy point in huge volume following the earnings report. There's been

no follow-through so far, but the stock is holding up near the entry.

The stock has now posted eight quarters of rising fund ownership, a sign of strong and lasting institutional demand. The company also has a long track record of efficiency and profitability, as indicated by a 62.7% return on equity and a 32.1% pretax profit margin in 2018. But note that the company carries a substantial 260% debt-to-equity ratio.

With a 98 Composite Rating, Fiserv ranks No. 1 in its industry group and is outpacing 98% of all stocks in all groups. Fellow industry leaders include MSCI (MSCI), FleetCor (FLT), Envestnet (ENV), and TransUnion (TRU).

Fiserv Buys First Data As Consolidation Heats Up Among Fintech Companies

Fiserv's acquisition of struggling payment processor First Data (FDC) could be the first deal in a wave of consolidation among fintech companies and pressure Square (SQ) or Fidelity National Information Services (FIS), analysts say. Fiserv stock dropped following the acquisition while First Data shares soared.

Brookfield, Wis.-based Fiserv will buy First Data, headquartered in New York, for \$22 billion in stock. The purchase price was lower than expected, one analyst said.

Fiserv shareholders will own 57.5% of the new company, with First Data shareholders owning 42.5%. Fiserve stock fell 3.3% to close at 72.57 on the stock market today. First Data jumped 21.1% to 21.24.

The last deal remotely close to this size among fintech companies took place in 2017 when Vantive bought WorldPay for \$10.4 billion. That merged company is called Worldpay (WP).

Fiserv, First Data Merger A Negative For Square?

MoffettNathanson analyst Lisa Ellis speculated on mergers among fintech companies in a 2019 outlook report published on Jan. 10.

"It is possible that the merchant acquiring market will consolidate through market share gains alone, but we also expect M&A activity, including acquisitions of small country-specific players, and potentially some further mergers among the global majors: First Data, Worldpay, Chase Paymentech, Global Payments, Adyen, Stripe, PayPal-Braintree, and Wirecard," said Ellis.

First Data's revenue and profit fell double digits the last two quarters. It's been investing in startup fintech companies to spur a turnaround. The investments include Clover, a startup selling a retail point-of-sale platform.

BTIG Research analyst Mark Palmer says the Fiserv-First Data deal is negative for Square.

"The upshot is that Clover and Clover Go will now be backed by a fintech giant with deep pockets that intends to accelerate the growth of the platform," Palmer said in a report. "First Data's focus with Clover is on middle-sized merchants – the businesses that Square is targeting as its growth becomes driven less by the micro-merchants."

Fiserv Beats Fidelity National To First Data

MoffettNathanson's Ellis, meanwhile, says Fiserv beat out Fidelity National Information Services for First Data.

"This deal leaves FIS out in the cold," she said in an email. "It is possible FIS will try to outbid Fiserv for First Data, or will look to consolidate with the other players in bank/issuer processing – Jack Henry Associates (JKHY) or Total System Services (TSS)."

Adapted from articles published on January 16 and November 11, 2019 in *Investor's Business Daily*.

Fiserv Inc

Fiserv Inc (FISV) NASDAQ Financial Svcs-Specialty

Options Yes
Short Interest 5.2 days +15%

Market Capitalization \$78.62 Billion
Shares in Float 666.3 Million
Shares Outstanding 679.9 Million

Volume 3,955,600 \$115.63 -1.45
50-Day Avg Volume 2,842,200
Off 52-Week High -2.0%
52-Week Hi-Lo \$118.00-\$68.45

HEADQUARTERS: Brookfield, WI

PHONE: 262-879-5000

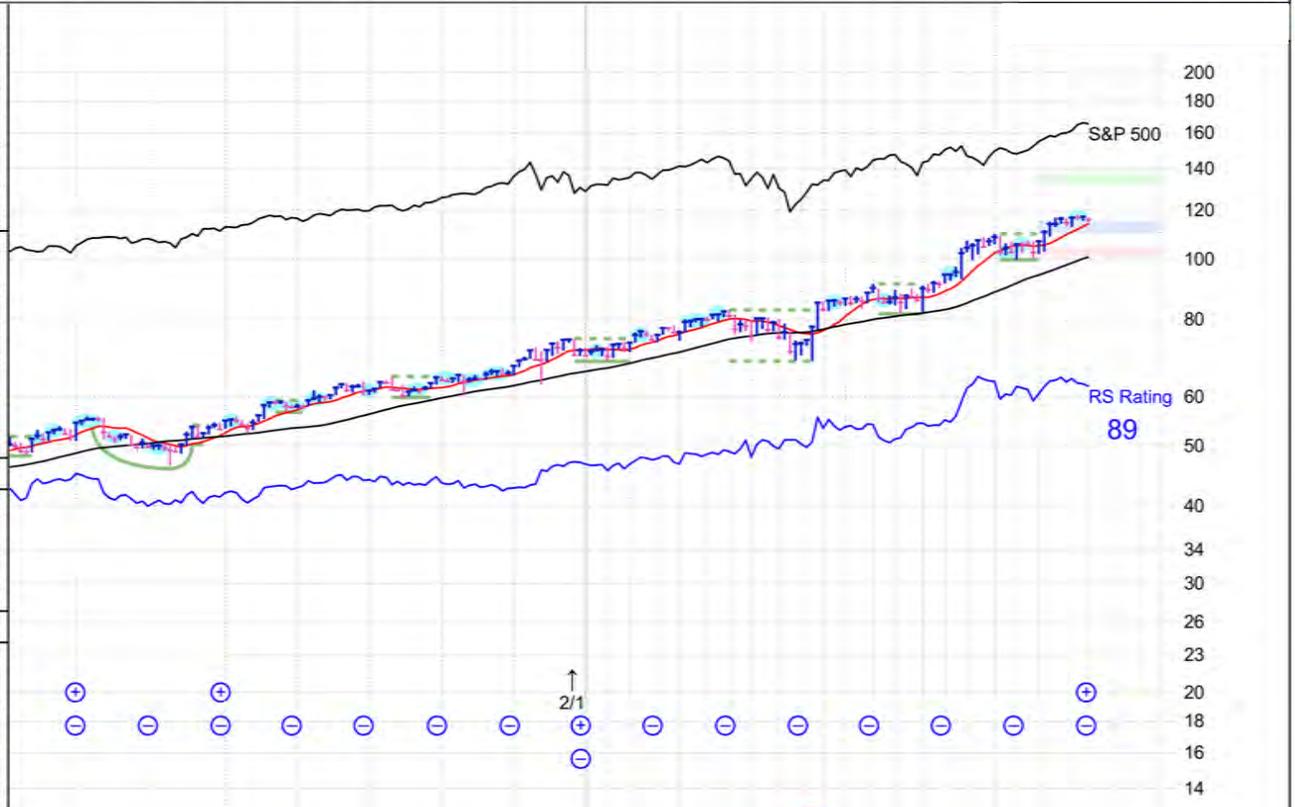
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PROVIDES INTEGRATED INFORMATION AND ELECTRONIC COMMERCE SYST EMS/SERVICES TO ABOUT 12,000 CLIENTS WORLDWIDE

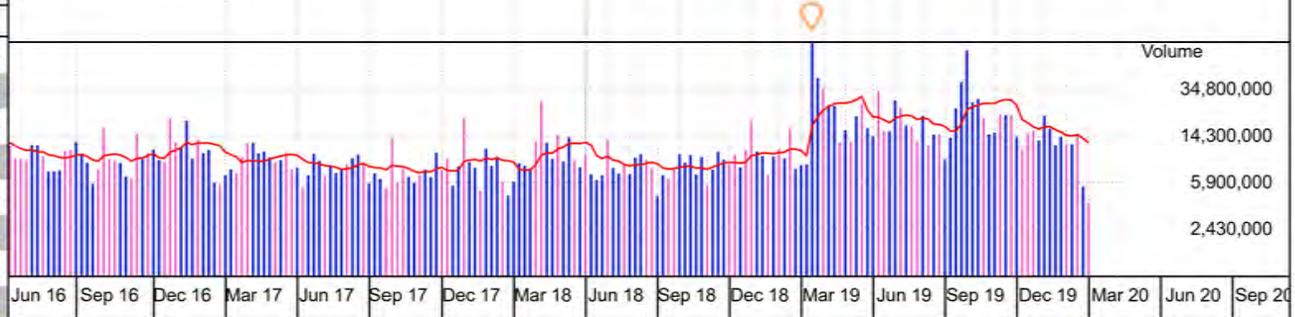
12/05/19 To sell 60% stake in Investment Services business to Motive Partners, for about \$510 mil

IPO 9/25/1986

Year (Dec)	EPS (\$)	Price(\$) High Low	EPS Rating	92
2012	1.27	20 14	Group RS Rating	33
2013	1.50	29 19	SMR Rating	A
2014	1.69	36 26	Acc/Dis Rating	A-
2015	1.94	48 34	Composite Rating	97
2016	2.22	55 42	Timeliness Rating	B
2017	2.48	66 52	Sponsorship Rating	B
2018	3.81	82 62	EPS Growth Rate	16%
2019	4.01	est. 5%▼	Earnings Stability	3
2020	4.96	est. 24%▼	P/E Ratio	33 (1.7 X SP)
Yield NONE			5-Year P/E Range	20-34
ExDiv N/A			Return on Equity	63%
Book Value X34.24			Cash Flow	\$5.02
Inventory T/O N/A			Debt 260%	Ownership
U/D Vol Ratio 1.5			R&D N/A	Mgmt 1%
New CEO 03/1999			Alpha 0.08	Banks 2%
			Beta 1.07	Funds 46%
Top RS in Grp	Symbol	RS	EPS Rtg	No. of Funds
FranchiseGrp	FRG	99	23	Dec-18 1647
ScullyRoyal	SRL	94	77	Mar-19 1799
WestrnUnion	WU	92	52	Jun-19 1904
MSCI	MSCI	90	98	Sep-19 2209
Ihs Markit	INFO	88	91	



Quarterly	EPS(\$)	% Chg	Sales(\$Mil)	% Chg
Dec-17	0.68	+17%	1516.0	+6%
Mar-18	0.75	+21%	1440.0	+3%
Jun-18	0.75	+32%	1420.0	+2%
Sep-18	0.87	+43%	1412.0	+1%
Dec-18	0.84	+24%	1551.0	+2%
Mar-19	0.84	+12%	1502.0	+4%
Jun-19	0.82	+9%	1512.0	+6%
Sep-19	1.02	+17%	3128.0	+122%



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12.31.2019

This Payments Stock Jumps As It Takes Big Step Into Vast New Market



Alexander Yakimov/Shutterstock.com

Mastercard (MA) has unveiled a service to cement its lead position in the nascent business-to-business payments market. Mastercard stock marched higher on the stock market.

The firm said its Mastercard Track Business Payment Service is the first global open-loop commercial service built to simplify and automate payments between the world's suppliers and buyers.

"The business world has accelerated, but the payments that enable it are stuck in neutral — paper checks and manual invoicing need to be scrapped, man-hours need to be applied to more strategic roles and back-offices need tools to help streamline operations," Mastercard's EVP of commercial products James Anderson said in a news release.

He also said the new service will help suppliers and buyers tackle the systemic challenges and inefficiencies of business-to-business payments.

Mastercard launched Track in 2018 as a trade platform to address identity, compliance and payment management needs. However, it will now feature all current and future B2B payment products. It aims to offer tools and services that will significantly improve and simplify B2B payments.

The Track Business Payment Service will roll out globally, starting with the U.S. in the first half of 2020.

Select North American customers have been piloting the service ahead of the broader rollout. These include B2B payments optimizer Boost, payment solutions providers CSI and TSYS, Accounts Receivable software providers VersaPay, YayPay and HighRadius, and accounts payable automation provider AvidXchange.

Mastercard Stock Charges Higher

Mastercard, which recently slipped off the IBD 50 list, rose 2.4% to close at 276.40 on the stock market today.

A breakout from a five-week flat base failed after Mastercard stock crashed below its 50-day line on Tuesday, MarketSmith analysis shows. Several other payment stocks, including archrival **Visa (V)**, also suffered serious damage this week along with other high P/E stocks.

Until this week's Mastercard stock sell-off, the relative strength line had been steadily advancing for a long time.

Mastercard stock has a strong IBD Composite Rating of 94. The Stock Checkup Tool shows it has an attractive mixture of both strong fundamentals and excellent technical performance.

Among rivals, Visa stock rose 1.7%, and **American Express (AXP)** added 0.9%.

Mastercard Stock Growth Boost

Mastercard stock is poised to lead in the new B2B market, says Goldman Sachs analyst James Schneider.

"We believe the B2B market represents the next growth horizon for the payments industry and think Mastercard is the best positioned given its multifaceted product approach," Schneider said in a research note.

B2B payments are currently seen as a lose-lose scenario for businesses and their suppliers, as they are still using old 20th-century technology. Such payments average 45 days to process.

Small businesses making purchases often have to draft checks, obtain signatures and mail them to suppliers. Comparably sized suppliers have to wait for checks, manually process them, wait for them to clear and finally receive their money.

Goldman Sachs sees B2B payments as a \$950 billion annualized opportunity for payment stocks. North America, which lags Europe in the adoption of new payment methods, will make up \$186 billion of the total.

Analysts says B2B payment is a big opportunity for the likes of Mastercard, Visa and American Express, along with peer-to-peer and business payment processors **Square (SQ)** and **PayPal (PYPL)**.

Adapted from an article published on September 12, 2019 in *Investor's Business Daily*.

Mastercard Inc

Mastercard Inc Cl A (MA) NYSE Finance-CrdtCard/PmtPr

Market Capitalization \$300.99 Bil(\$296.96 Bil)
 Shares in Float 987.5 Million
 Shares Outstanding 1008.9 Mil(997.4 Mil)

Volume 4,427,800 \$298.35 -2.39
 50-Day Avg Volume 3,189,400
 Off 52-Week High -1.1%
 52-Week Hi-Lo \$301.53-\$180.98

Options Yes
 Short Interest 2.5 days +9%

HEADQUARTERS: Purchase, NY

PHONE: 914-249-2000

www.mastercard.com

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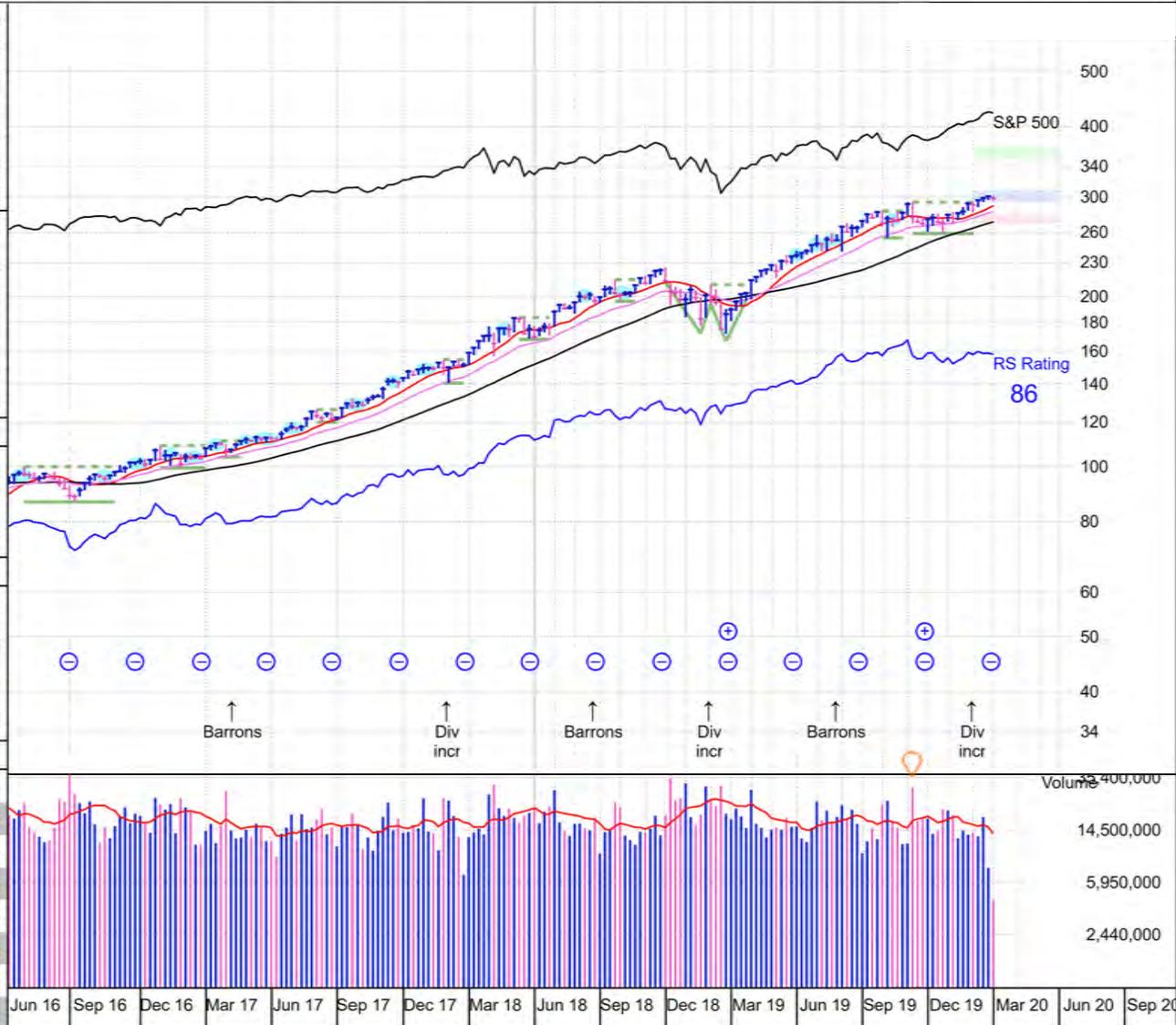
12/23/19 To acquire RiskRecon, a provider of artificial intelligence and data analytics solutions, for undisclosed terms

IPO 5/25/2006

Year (Dec)	EPS (\$)	Price(\$) High Low	EPS Rating	95
2012	2.20	49 33	Group RS Rating	36
2013	2.61	83 48	SMR Rating	A
2014	3.10	89 68	Acc/Dis Rating	B-
2015	3.43	101 74	Composite Rating	95
2016	3.68	108 78	Timeliness Rating	B
2017	4.58	154 102	Sponsorship Rating	B
2018	6.49	225 151	EPS Growth Rate	21%
2019	7.69	est. 18%▲	Earnings Stability	8
2020	9.05	est. 18%▲	P/E Ratio	40 (2.0 X SP)
			5-Year P/E Range	22-41
			Return on Equity	125%
			Cash Flow	\$8.23
Yield		0.5%	Debt	108%
ExDiv		1/08/20	R&D	N/A
Book Value		X55.67	Alpha	0.06
Inventory T/O		N/A	Beta	1.29
U/D Vol Ratio		1.6		
New CEO		07/2010		

Top RS in Grp	Symbol	RS	EPS Rtg	No. of Funds
AstaFnd	ASFI	98	26	Dec-18 3384
Everi	EVRI	97	77	Mar-19 3569
Cardtronics	CATM	95	71	Jun-19 3801
Repay A	RPAY	91	4	Sep-19 3893
Global Paymts	GPN	90	96	

Quarterly	EPS(\$)	% Chg	Sales(\$Mil)	% Chg
Dec-17	1.14	+33%	3312.0	+20%
Mar-18	1.50	+49%	3580.0	+31%
Jun-18	1.66	+51%	3665.0	+20%
Sep-18	1.78	+33%	3898.0	+15%
Dec-18	1.55	+36%	3807.0	+15%
Mar-19	1.77	+18%	3889.0	+9%
Jun-19	1.89	+14%	4113.0	+12%
Sep-19	2.15	+21%	4467.0	+15%



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12.31.2019

Fake Meat Becomes Real Deal And Other 2020 Trends To Watch



beyondmeat.com

As the aerosolized grease settles on the Popeyes Chicken Sandwich and the resulting Chicken Sandwich Wars, analysts see new fights in restaurant stocks emerging in 2020, while **Beyond Meat (BYND)** stock looks to rebound from its epic takeoff and flameout.

Despite a strong labor market and rising wages, restaurant stocks head into the new year facing a slowdown in customer traffic. Stephens analyst Will Slabaugh said in a research note that he sees “little reason for a broad improvement in casual dining’s sluggish sales trends or quick service’s traffic difficulties.”

Mark Kalinowski, of Kalinowski Equity Research, thinks anxiety over the presidential election will suppress appetites, while political ads clog airways and leave less time for restaurant ads.

“In fact, in the last five years, the worst year for U.S. restaurant industry same-store sales was 2016,” he said. “I can’t prove that’s partly because it was a presidential election year. But it seems to make some sense.”

He also notes that eating out, to an extent, represents a form of entertainment. But more forms of entertainment exist — online or offline — to compete with an already wide range of options for dining out or in.

Meanwhile, the Twitter feud between Popeyes, Wendy’s (WEN) and Chick-fil-A over their chicken sandwiches will prompt other restaurants to find ways to orchestrate their own Internet-breaking moments in the new year.

Against this backdrop, here are several trends to watch in restaurant stocks.

Beyond Meat vs. Impossible Foods

Beyond Meat stock may have crashed into the sun and burned up heading back into the atmosphere in 2019. But analysts say that plant-based burgers, sausages, and other meat imitations are here to stay despite the flailings of Beyond Meat stock.

Indeed, the company may be poised to break through with a big fast-food deal. It already supplies breakfast sausages to Dunkin’ Brands (DNKN) and fake ground beef to Del Taco (TACO).

More may be on the way. McDonald’s (MCD) has tested a Beyond Meat patty in Canada, Yum Brands’ (YUM) KFC has tested fake chicken in Atlanta, Carl’s Jr. is testing a burger in Canada, and Subway is testing meatballs in the U.S. and Canada.

Meanwhile, privately held rival Impossible Foods is on the menu at Restaurants Brands’ (QSR) Burger King, Fat Burger and other local restaurants.

Plant-based hamburgers and sausages could solidify their places on menus — potentially as attractive, higher-priced items — as environmental consciousness grows.

“I think this is real,” Cowen analyst Andrew Charles said. “It’s structural. It’s not a fad.”

Plant-based hamburgers aren’t necessarily any healthier. Whether they taste as good as, or better than, the real thing is a matter of debate. But Kalinowski noted that it was easier for Beyond Meat, Impossible Foods and others to alter ingredients to improve the flavor of fake meat than it was for actual meat.

“They can change much more quickly,” he said. “Cows don’t.”

Breakfast, Price Wars

The industry will also continue trying to keep prices up and avoid dousing the restaurant landscape with lower-priced burgers, tacos, coffee and combo meals.

Well, good luck with all of that. Wendy’s starts serving breakfast nationwide next year. Taco Bell, part of Yum Brands, plans to sell 21 \$1 menu items next year, including breakfast tacos and burritos.

The bigger dive into breakfast has raised fears that rival heavyweights like McDonald’s, Burger King and others will cut prices to retain diners.

Analysts also have their doubts that Wendy’s can break through in the battle over morning commuters’ appetites. Wendy’s tried serving breakfast during the 1980s, the 2000s and the 2010s. But in recent years, McDonald’s and Dunkin’ have both struggled to reel in more breakfast customers.

“They’ve got their challenges ahead of them, I would say, when it comes to breakfast,” Charles said of Wendy’s. “I think they’ll make a splash here,” he continued. But he said that he didn’t know if Wendy’s could make breakfast a habit among customers.

Adapted from an article published on January 1, 2020 in Investor’s Business Daily.

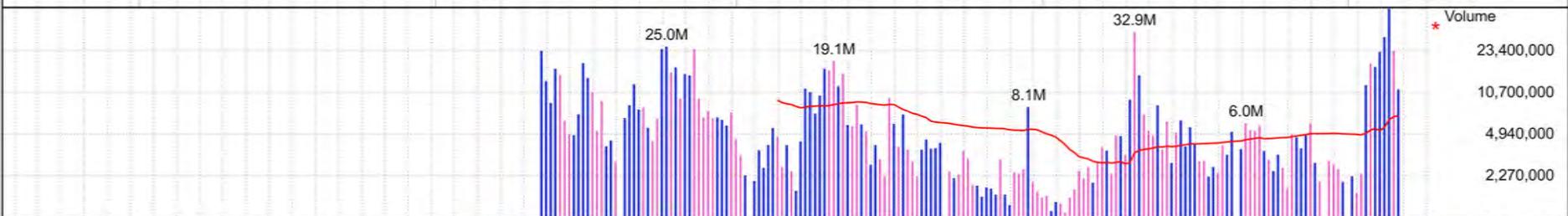
Beyond Meat Inc

Beyond Meat Inc (BYND) NASDAQ Food-Meat Products Average Daily Volume 6,754,900
 MANUFACTURES, MARKETS, AND SELLS PLANT-BASED MEAT PRODUCTS IN THE UNITED STATES AND INTERNATIONALLY.

Volume 11,235,700 \$112.16 +5.08

www.beyondmeat.com

Year (Dec)	EPS (\$)	Price(\$) High Low	EPS Rating	Group RS Rating	SMR Rating	Acc/Dis Rating	Composite Rating	Timeliness Rating	Growth Rate	P/E	Mkt Cap	Shares	Funds
2012			40	D-	D								
2013													
2014													
2015													
2016	-0.42												
2017	-0.51												
2018	-0.49												
2019	-0.23 est.	N/A ▼									\$6900.2 Mil	61.5 Mil	
2020	0.33 est.	N/A ▼											12%



December 31, 2018				March 31, 2019				June 30, 2019				September 30, 2019				EPS Due 2/5*
-0.12	vs	-0.12	N/A	-0.11	vs	-0.10	N/A	-0.16 ▲	vs	-0.12	N/A	0.06 ▲	vs	-0.16	#+138%	Earnings (\$)
31.5	vs	11.5	+175%	40.2	vs	12.8	+215%	67.3	vs	17.4	+287%	92.0	vs	26.3	+250%	Sales (\$Mil)
N/A			N/A	N/A			N/A	N/A			N/A	N/A			N/A	Div--P/E Range

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01.16.2020

Palomar Holdings Inc

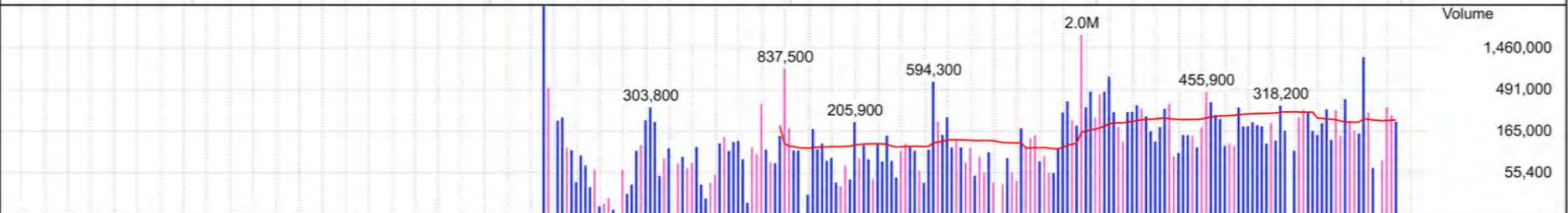
Palomar Holdings Inc (PLMR) NASDAQ Insurance-Diversified Average Daily Volume 217,200
 PROVIDES SPECIALTY PROPERTY, PERSONAL AND COMMERCIAL SPECIAL TY PROPERTY INSURANCE PRODUCTS.

Volume 208,200

\$50.49 +1.89

www.PalomarSpecialty.com

Year (Dec)	EPS (\$)	Price(\$) High Low	EPS Rating	98
2012			Group RS Rating	A-
2013			SMR Rating	A
2014			Acc/Dis Rating	B-
2015			Composite Rating	99
2016	0.28		Timeliness Rating	A
2017	0.16		Growth Rate	103%
2018	0.77 ▲		P/E	39 (2.0 X SP)
2019	1.74 est.	126% ▲	Mkt Cap	\$1184.9 Mil
2020	2.03 est.	17% ▲	Shares	23.5 Mil
			Funds	99%



December 31, 2018				March 31, 2019				June 30, 2019				September 30, 2019				EPS Due 1/28e*
0.12	vs	0.04	+200%	0.38 ▲	vs	0.24 ▲	+58%	0.34 ▲	vs	0.30 ▲	+13%	0.40 ▲	vs	0.12	+233%	Earnings (\$)
15.6	vs	14.9	+5%	22.3	vs	18.5	+20%	25.9	vs	19.9	+30%	30.5	vs	18.9	+61%	Sales (\$Mil)
N/A			N/A	N/A			N/A	N/A			18 -- 27	N/A			18 -- 33	Div--P/E Range

INSURANCE

Palomar Holdings Inc

Palomar Holdings Inc (PLMR) NASDAQ Insurance-Diversified

Volume 454,800 \$50.49 -0.15

Options Yes
Short Interest 3.1 days +79%

Market Capitalization \$1184.9 Million
Shares in Float 6.34 Million
Shares Outstanding 23.5 Million

50-Day Avg Volume 217,200
Off 52-Week High -11.0%
52-Week Hi-Lo \$56.75-\$18.06

HEADQUARTERS: La Jolla, CA

PHONE: 619-567-5290

www.PalomarSpecialty.com

PROVIDES SPECIALTY PROPERTY, PERSONAL AND COMMERCIAL SPECIAL TY PROPERTY INSURANCE PRODUCTS.

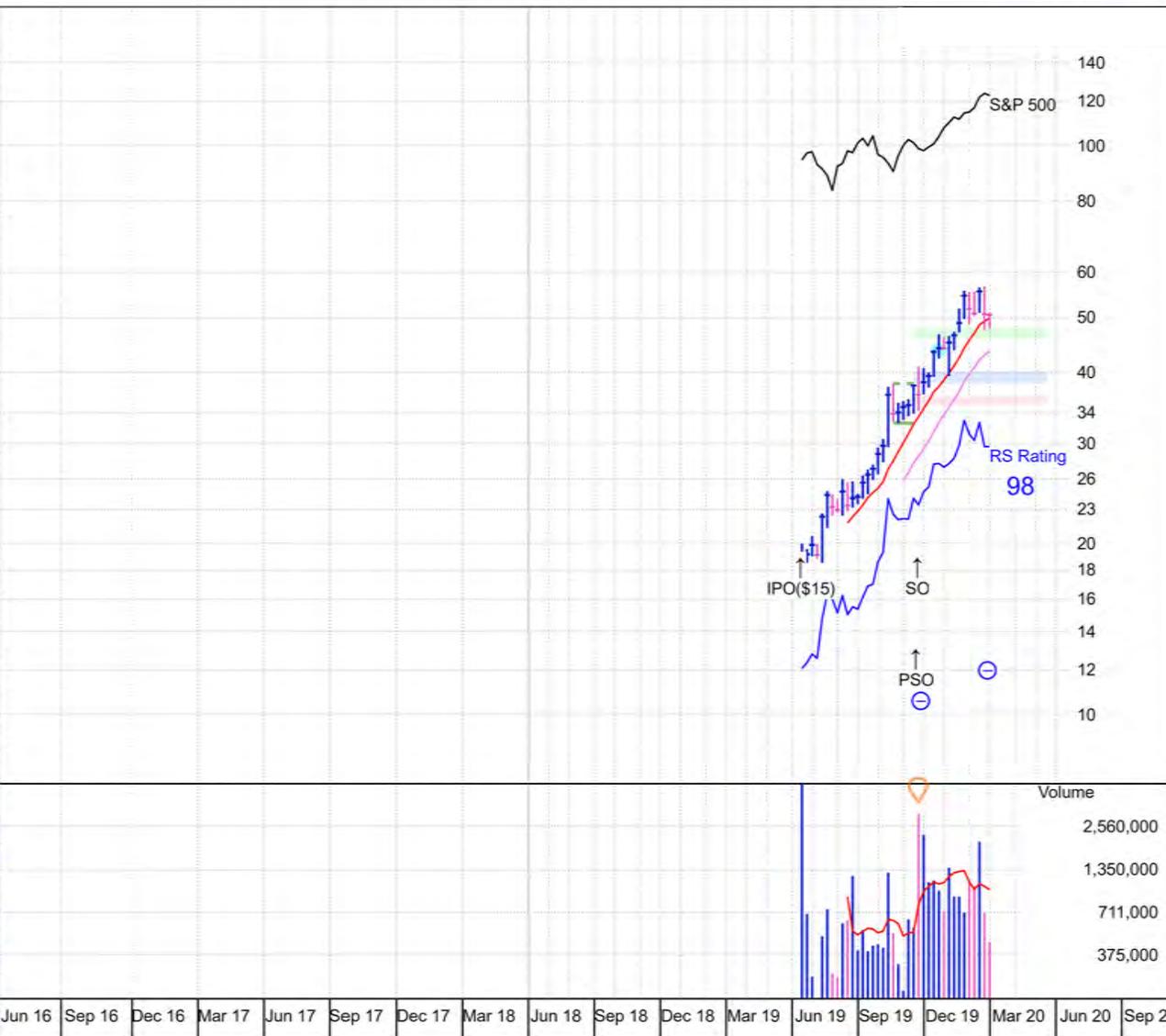
09/30/19 Q3 2019 includes \$10.243 mil acquisition expenses

IPO 4/17/2019

Year (Dec)	EPS (\$)	Price(\$) High Low	EPS Rating	98
2012			Group RS Rating	80
2013			SMR Rating	A
2014			Acc/Dis Rating	B-
2015			Composite Rating	99
2016	0.28		Timeliness Rating	A
2017	0.16		Sponsorship Rating	C
2018	0.77 ▲		EPS Growth Rate	103%
2019	1.74 est. 126% ▲		Earnings Stability	37
2020	2.03 est. 17% ▲		P/E Ratio	39 (2.0 X SP)
			5-Year P/E Range	19-46
			Return on Equity	21%
			Cash Flow	\$0.82
Yield		NONE	Debt	20%
ExDiv		N/A	R&D	N/A
Book Value		X11.84	Alpha	0.50
Inventory T/O		N/A	Beta	0.95
U/D Vol Ratio		1.8		
New CEO		N/A		

Top RS in Grp	Symbol	RS	EPS Rtg	No. of Funds
Everquote A	EVER	99	43	Dec-18 N/A
Assurant	AIZ	85	64	Mar-19 N/A
Muenchener Rue	MURGY	83	41	Jun-19 103
Manulife	MFC	81	78	Sep-19 158
AXA	AXAHY	78	69	

Quarterly	EPS(\$)	% Chg	Sales(\$Mil)	% Chg
Dec-17	0.04	-43%	14.9	+39%
Mar-18	▲ 0.24	+500%	18.5	+25%
Jun-18	▲ 0.30	+650%	19.9	+34%
Sep-18	0.12	+200%	18.9	+27%
Dec-18	0.12	+200%	15.6	+5%
Mar-19	▲ 0.38	+58%	22.3	+20%
Jun-19	▲ 0.34	+13%	25.9	+30%
Sep-19	▲ 0.40	+233%	30.5	+61%



INSURANCE

Does A 45% Insurance Broker Rally Make These Insurance Stocks A Buy?



alice-photo/Shutterstock.com

It's a bit of a dicey time to invest in the insurance industry. Democrats' "Medicare for All" dreams hang over health insurers. Climate change has put property and casualty insurers and reinsurers on the hot seat. But for insurance brokers, bad news tends to be good news.

"They have no underwriting risk, but they do benefit if there's a big loss," Wells Fargo analyst Elyse Greenspan told IBD.

The multitude of disasters that hit starting in the fall of 2017 — major hurricanes, fires and more — helped put upward pressure on insurance premiums. And that's good news for brokers, which get a percentage of those costs as commission.

"The Marsh Global Insurance Market Index saw an increase of 3% in the first quarter, up from 2% in the fourth quarter of 2018, and 1% in the first quarter of 2018," **Marsh & McLennan (MMC)** CEO Dan Glaser said on an April 25 earnings call.

The pricing tailwind is one of the principal drivers behind the recent stellar performance of IBD's Insurance-Brokers industry group. The group racked up a year-to-date gain of nearly 45% through Wednesday — one of the four best advances among the 197 industry groups tracked by IBD. That left the industry ranked No. 7 out of those groups.

At the head of that charge, the stock rated the group's strongest by IBD's Stock Checkup is **eHealth (EHTH)**. On Wednesday, eHealth shares were up 84% since the start of the year. The group's two weightiest stocks, by market capitalization — Marsh & McLennan and **Aon (AON)** — were up 24% and 30%, respectively. At the lighter end of the scale, the thinly traded **Erie Indemnity (ERIE)** flaunted an 86% gain.

Bigger Is Better For Insurance Brokers — To A Point

"The need for specialist advice has never been greater as clients deal with the increasing size, complexity and range of business challenges," Marsh & McLennan's Glaser told analysts.

"Size and scale are increasingly important," he said, hailing the addition of 10,000 employees via the JLT deal.

Morningstar analyst Brett Horn compares the insurance brokers with global scale to tollbooth operators. That's an indication of a reliable income stream, though modest growth prospects.

"The complexity of these services creates switching costs, as the value of changing providers is not clear to customers and there is perceived value for the client in continuing to work with a broker that has experience in managing their risk," Horn wrote.

Only insurance brokers with global reach can serve large multinationals. Growing scale may also allow insurance brokers to maximize their commissions as a percentage of premiums. But big insurance broker acquisitions rarely go smoothly.

"There will be bumps and we could see an impact on growth during the integration process," Glaser said. "That's fine. We will sort it out and press forward as we work to build something special."

Health Insurance Broker Roller Coaster

Health Insurance Innovations (HI IQ), last year's top-performing stock in IBD's Insurance-Brokers group through September, is now the biggest laggard. The stock is a political hot potato.

The Tampa, Fla.-based outfit provides a technology platform for marketing short-term insurance plans. Those plans, which are generally light on benefits, are designed as an affordable option for people who are healthy — and plan to stay that way. Such plans went out of style with the passage of ObamaCare, then roared back to life following President Donald Trump's surprise election. Then the Democratic takeover of the House last November raised the risk of another policy U-turn.

More than 100 House Democrats and numerous presidential candidates have embraced the idea of Medicare for All, phasing out commercial insurance. Yet Democrats are far from united over the goal, and the odds of a decisive Democratic sweep in 2020 are low.

That's why investors are still taking a shine to eHealth (EHTH), the online marketplace that has been selling Medicare Advantage, Medicare supplemental coverage and Medicare prescription drug plans like hotcakes. During the first quarter, Medicare segment revenue surged 78% from a year ago to \$54.9 million.

Medicare's commercial plans have a wellspring of bipartisan political support, so eHealth's growth prospects as a Medicare plan comparison-shopping site may have legs.

Adapted from an article published on June 13, 2019 in *Investor's Business Daily*.

Ehealth Inc

Ehealth Inc (EHTH) NASDAQ Insurance-Brokers

Volume 714,800 \$96.08 +1.64

Options Yes
Short Interest 6.1 days -1%

Market Capitalization \$2219.3 Million
Shares in Float 21.9 Million
Shares Outstanding 23.1 Million

50-Day Avg Volume 723,300
Off 52-Week High -14.4%
52-Week Hi-Lo \$112.22-\$35.94

HEADQUARTERS: Santa Clara, CA

PHONE: 650-584-2700

www.ehealth.com

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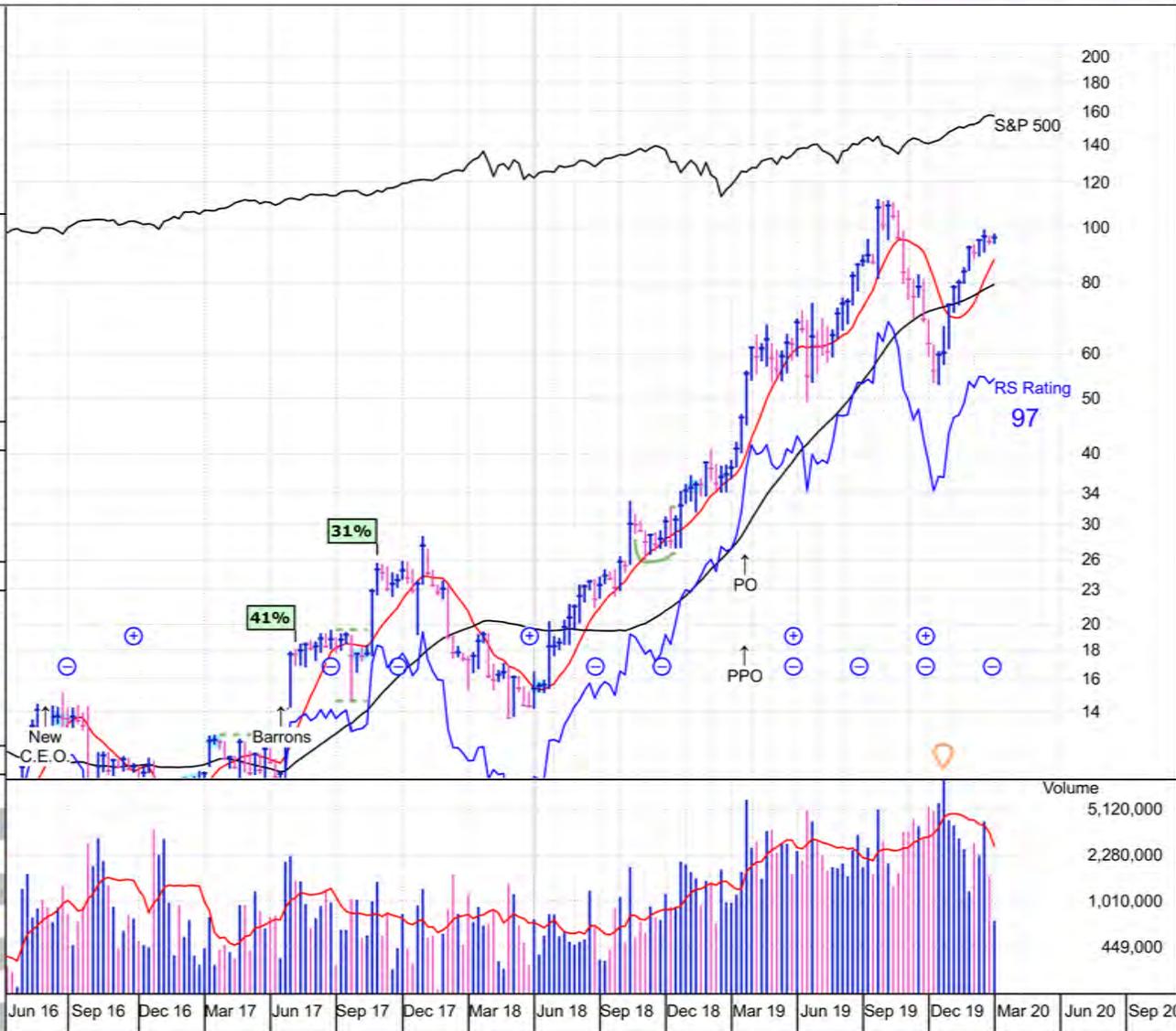
10/24/19 Reaffirmed 2019 capital expenditures guidance of \$15 mil to \$17 mil

IPO 10/13/2006

Year (Dec)	EPS (\$)	Price(\$) High Low	EPS Rating	24
2012	0.61	28 13	Group RS Rating	16
2013	0.37	48 14	SMR Rating	B
2014	-0.01	63 18	Acc/Dis Rating	B-
2015	0.43	25 8	Composite Rating	54
2016	0.17	15 6	Timeliness Rating	C
2017	1.69	28 10	Sponsorship Rating	C
2018	1.01	40 13	EPS Growth Rate	N/A
2019	2.24	est. 122%▲	Earnings Stability	N/A
2020	2.76	est. 23%▲	P/E Ratio	59 (3.0 X SP)
Yield NONE			5-Year P/E Range	6-123
ExDiv N/A			Return on Equity	7%
Book Value X7.30			Cash Flow	\$1.30
Inventory T/O N/A			Debt 2%	Ownership
U/D Vol Ratio 1.9			R&D 12.7%	Mgmt 5%
New CEO 05/2016			Alpha 0.23	Banks 0%
			Beta 1.96	Funds 75%

Top RS in Grp	Symbol	RS	EPS Rtg	No. of Funds
Brwn&Brwn	BRO	85	85	Dec-18 252
MarshM	MMC	82	74	Mar-19 323
Aon	AON	80	81	Jun-19 374
ArthurJGallagr	AJG	73	70	Jun-19 374
WillisTower	WLTW	70	75	Sep-19 420

Quarterly	EPS(\$)	% Chg	Sales(\$Mil)	% Chg
Dec-17	1.57	#+299%	83.1	+90%
Mar-18	-0.07	N/A	43.1	+4%
Jun-18	-0.40	N/A	32.7	-6%
Sep-18	-0.22	N/A	40.8	+29%
Dec-18	1.61	+3%	134.9	+62%
Mar-19	0.33	#+571%	68.8	+60%
Jun-19	0.10	#+125%	65.8	+101%
Sep-19	-0.43	N/A	69.9	+72%



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Sea Limited Taps E-Commerce, Gaming In Asia



seagroup.com

The IBD Stock Of The Day is **Sea Limited (SE)**, a provider of e-commerce and digital entertainment services serving Southeast Asia. Sea stock currently hovers in a buy range.

Tencent Holdings (TCEHY), one of China's largest internet companies, is a principal shareholder. A key competitor is China e-commerce giant **Alibaba Group (BABA)**.

Sea has posted triple-digit revenue growth for the past five quarters but has yet to be profitable.

The Singapore-based company held an initial public offering in October 2017 that raised \$884 million, which was \$238 million more than initially expected. Sea stock priced at 15, above its estimated range.

Sea Stock More Than Doubles

Since its IPO, the stock has more than doubled. On the stock market today, Sea stock climbed 3.2% to 38.83, after hitting a record high of 39.20 earlier in the session. The stock moved into a buy range that starts with the 38.10 buy point on Nov. 20. That buy range caps out at 40. The pattern was a cup-without-handle base.

The company says it has both the largest digital entertainment platform and the largest e-commerce operation in the Southeast Asia region, comprised of Indonesia, Taiwan, Vietnam, Thailand, the Philippines, Malaysia and Singapore. The region has a population of

about 585 million people. Its market reach extends to Latin America.

On the digital entertainment side, Sea operates one of the most popular online gaming platforms in the region, called Garena. Its services include online mobile games and esports. The company says its free mobile game called Free Fire, "recently joined the \$1 billion club as one of the highest-grossing mobile games in the world."

"We are convinced that the huge popularity of Free Fire worldwide gives us an opportunity to build a long-lasting franchise around this intellectual property," Chief Executive Forrest Li said during the company's third-quarter earnings conference call.

Its digital entertainment business ended the third quarter with 321.1 million active users, up 82% from the year-ago period. Quarterly paying users accounted for 9% of the user total, up from 4%.

"Our strategy goal for Garena for this year has been to enhance our position as the leading global game developer and publisher, to extend our global footprint and to translate this into sustainable success," Li said.

A Leading E-Commerce Platform

The total e-commerce market in Southeast Asia is expected to hit gross merchandise volume of \$153 billion by 2025, from \$38.2 billion this year. That's according to a report from Google and Temasek.

The company's e-commerce site is called Shopee. For its third quarter, Sea reported a 70% rise in Shopee gross merchandise volume to \$4.6 billion.

According to research firm App Annie, Shopee was the leading e-commerce platform in both Southeast Asia and Taiwan by average monthly active users. Its e-commerce adjusted revenue in the third quarter was \$257.2 million, up 261% year-on-year

The company reported an adjusted loss of 60 cents a share, compared with a year-ago loss of 70 cents, when it released third-quarter earnings on Nov. 12. Revenue jumped 198% from the year-ago period to \$610.1 million. That's an acceleration from growth of 137% in the second quarter.

On an adjusted basis, it said revenue jumped 214% to \$763.3 million from the year-ago period, also beating estimates.

It's unclear when the company will reach profitability, though its losses are decreasing. Three analysts polled by Yahoo Finance see a loss of 17 cents a share from the company for the fourth quarter, down from 95 cents a year ago, with at least one seeing profitability during the period.

An Outperform Rating On Sea Stock

Cowen analyst John Blackledge, however, doesn't think Sea will turn the corner on profitability until 2021. After that, though, he estimates the company's annual profits will grow sharply through 2024, when they will reach \$4.96 a share. Blackledge has a rating of outperform and price target of 43 on Sea stock.

"We believe Sea's market leadership in both online mobile gaming and e-commerce in the rapidly growing Southeast Asian market should drive value creation over the long term," Blackledge said in a recent note to clients.

Adapted from an article published on December 19, 2019 in *Investor's Business Daily*.

Sea Limited

Sea Limited Ads CI A (SE) NYSE Internet-Content

Options No
Short Interest 7.1 days -2%

Market Capitalization \$16.60 Billion
Shares in Float 317.9 Million
Shares Outstanding 412.9 Million

Volume 6,325,100 \$40.21 +0.90
50-Day Avg Volume 4,260,800
Off 52-Week High +0.5%
52-Week Hi-Lo \$40.00-\$10.68

HEADQUARTERS: SINGAPORE

PHONE:

www.seagroup.com

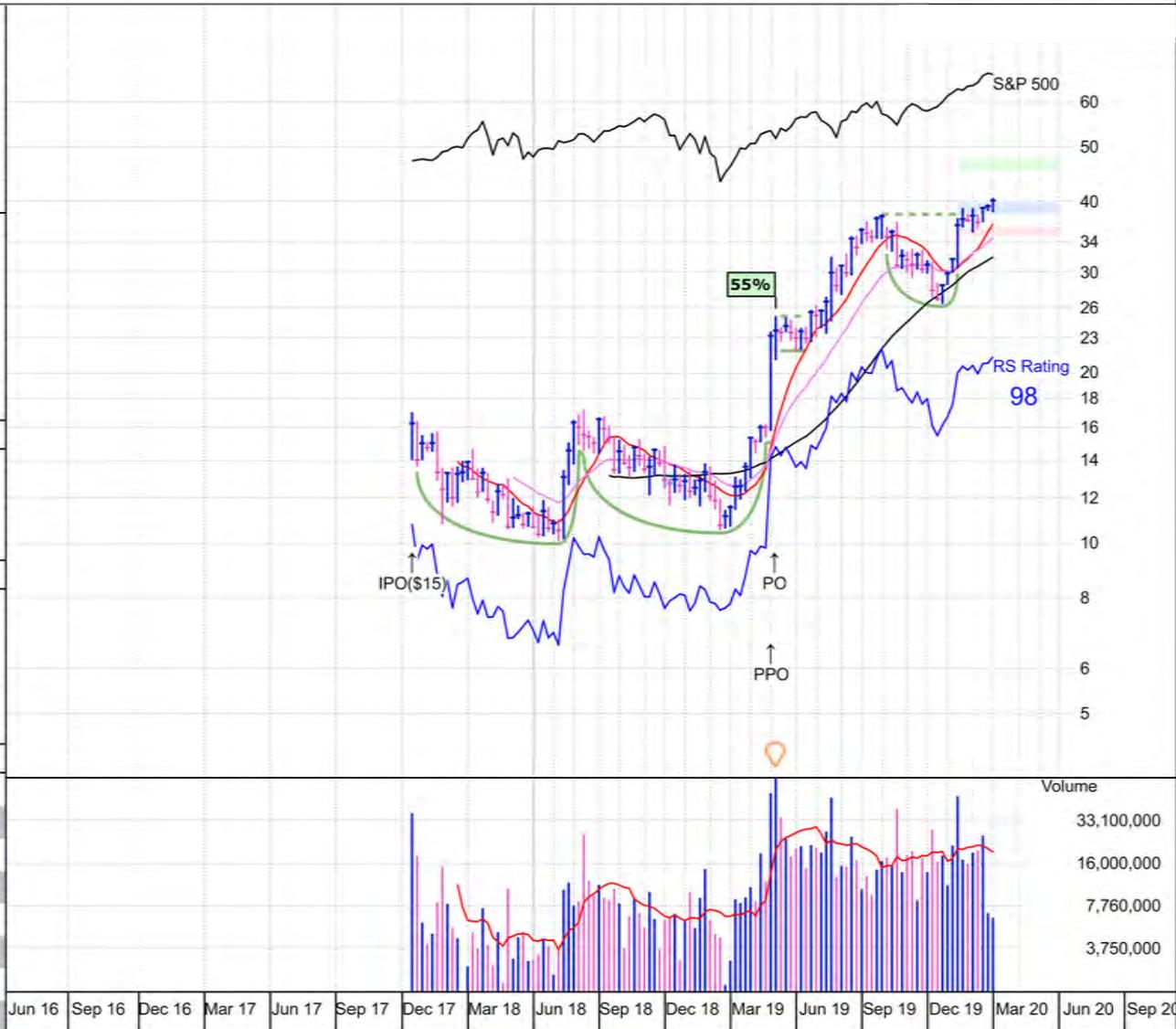
SINGAPORE-BASED COMPANY DEVELOPS AN INTERNET PLATFORM CONSISTING OF DIGITAL ENTERTAINMENT, E-COMMERCE

11/14/19 To offer \$1 bil of convertible senior notes due 2024

IPO 10/20/2017

Year (Dec)	EPS (\$)	Price(\$) High Low	EPS Rating	35
2012			Group RS Rating	71
2013			SMR Rating	D
2014	-0.27		Acc/Dis Rating	B+
2015	-0.26		Composite Rating	75
2016	-0.58		Timeliness Rating	A
2017	-1.43	16 10	Sponsorship Rating	C
2018	-2.79	17 10	EPS Growth Rate	N/A
2019	-1.64	est. N/A ▼	Earnings Stability	N/A
2020	-0.89	est. N/A ▲	P/E Ratio	N/A
			5-Year P/E Range	N/A
			Return on Equity	[N/A]
Yield	NONE		Cash Flow	\$-2.48
ExDiv	N/A		Debt	N/A
Book Value	X-66.58		R&D	8.2%
Inventory T/O	34.84X		Alpha	0.38
U/D Vol Ratio	1.8		Beta	1.64
New CEO	N/A			
Top RS in Grp	Symbol	RS	EPS Rtg	No. of Funds
Snap A	SNAP	95	52	Dec-18 103
Line Corp	LN	95	18	Mar-19 201
Match Group	MTCH	93	92	Jun-19 258
Zillow	ZG	93	4	Jun-19 258
Zillow C	Z	92	4	Sep-19 276

Quarterly	EPS(\$)	% Chg	Sales(\$Mil)	% Chg
Dec-17	-0.60	N/A	124.6	+41%
Mar-18	-0.56	N/A	155.0	+65%
Jun-18	-0.59	N/A	183.8	+81%
Sep-18	-0.70	N/A	204.9	+118%
Dec-18	-0.94	N/A	283.2	+127%
Mar-19	-0.64	N/A	351.9	+127%
Jun-19	-0.52	N/A	436.2	+137%
Sep-19	-0.60	N/A	610.1	+198%



INTERNET

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Roku, One Of The Top Stocks Of 2019, Built 'Skyscrapers' Of Accumulation Before A Breakout



AhmadDanialZulhilmi/Shutterstock.com

With a little more than three months to go in the year, **Roku (ROKU)** is no doubt one of the top stocks of 2019, surging more than 137% from a proper buy point to a peak price of 176.55.

And it all started with a cup with handle, one of the bullish chart patterns that the biggest stock market winners form at the start of their rallies.

Ahead of the stock's breakout on May 9, there were a significant number of clues that Roku could be a big winner, including "skyscrapers" of accumulation.

How To Invest: 'Skyscrapers' Of Accumulation

"Skyscrapers" of accumulation — a term coined by Scott O'Neil, CEO of IBD parent company Data Analysis Inc. — point to big price increases in unusually heavy trading volume. An easy way to discern such ferocious demand from hedge funds, mutual funds, banks, insurers and the like on an IBD weekly chart? Spot the tall volume bars, painted in blue when a stock rises for the day or week, as the stock forms its base.

The week ended Jan. 11 showed a true skyscraper: a 17.3% price advance by Roku shares on a volume increase of 176% vs. the 10-week moving average.

Next, the week ended Feb. 22 displayed a near-24% price surge on 47% higher-than-average turnover.

In all, at least half a dozen weeks on the right side of Roku's well-made base showed nice gains in above-average trade.

Call that true institutional demand.

Roku's Breakout

Roku stock rammed through a 74.45 buy point on May 9 in an abnormally deep cup with handle after better-than-expected quarterly earnings results. Another interpretation is a base within a base, as a smaller double bottom produced a 71.40 entry.

Either way, the breakout day was May 9. The stock rose to as high as 83.35, up 28%. Volume surged to more than 56 million shares, 335% above its average over the past 50 sessions. This indicated strong institutional demand even as shares hit record highs. Remember, institutions don't buy a stock just to flip it a few days later; they are normally looking to hold the stock for a number of quarters, if not longer.

Keep in mind, Roku stock bore additional risks. The company has scored big revenue growth, yet lost 8 cents per share in 2018. Analysts also expect the company to continue its money-losing ways with a net loss of 50 cents per share this year and 41 cents in 2020.

On a technical basis, the cup's depth exceeded 50%, eventually bottoming out with a 66% decline from peak to trough. In the vast majority of good cup-with-handle bases, the depth should not exceed 30% to 33%. However, during the throes of a bear market — like the fourth quarter of 2018 — it can be acceptable for a deeper-than-usual formation.

Roku's Potential Sell Signals

In early September, the chart gave a number of clues that the stock's price was overheating. On the Sept. 6 close, Roku stock was nearly 125% above its long-term 200-day line. A stock is getting overheated when it rises more than

100% above the long-term moving average line. While that indicator is not a sell signal by itself, you should be on the lookout for additional sell signals to help lock in gains.

On Sept. 20, the stock plunged through its 50-day line in huge turnover after Pivotal Research Group initiated coverage with a sell rating and 60 price target. The analyst firm called the stock "dramatically overvalued."

Adapted from an article published on December 4, 2019 in *Investor's Business Daily*.

Roku Inc

Roku Inc Cl A (ROKU) NASDAQ Leisure-Movies & Related

Options Yes
Short Interest 0.6 days +6%

Market Capitalization \$15.74 Bil(\$11.96 Bil)
Shares in Float 90.1 Million
Shares Outstanding 117.5 Mil(91.0 Mil)

Volume 28,212,200 \$133.90 -5.62
50-Day Avg Volume 18,688,500
Off 52-Week High -24.2%
52-Week Hi-Lo \$176.55-\$29.29

HEADQUARTERS: Los Gatos, CA

PHONE: 408-556-9040

www.roku.com

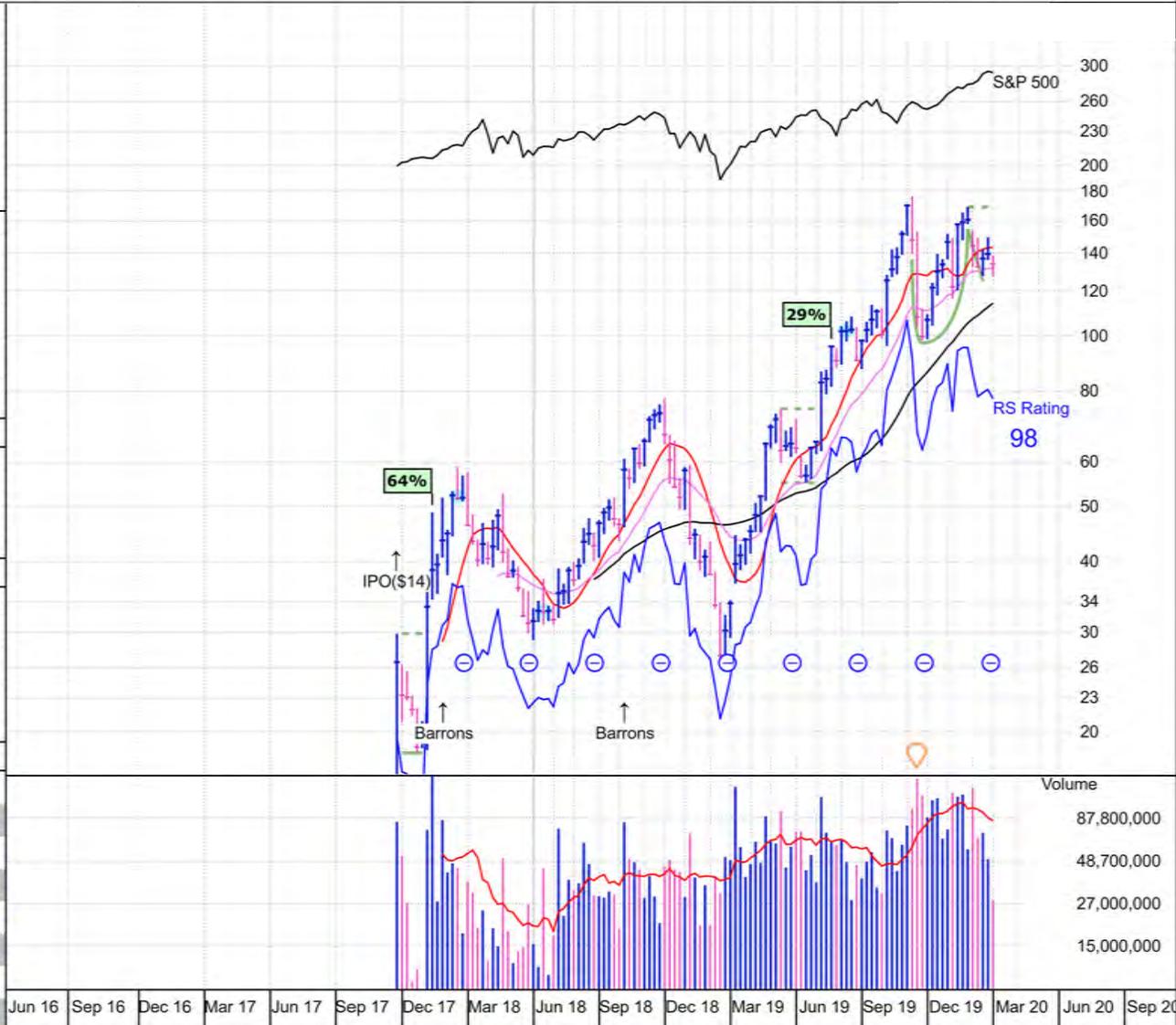
DEVELOPS STREAMING ENTERTAINMENT DEVICES FOR DELIVERING ENTERTAINMENT TO THE TELEVISION.

12/16/19 Steve Louden to resign as CFO, effective upon the appointment of his successor

IPO 9/28/2017

Year (Dec)	EPS (\$)	Price(\$) High Low	EPS Rating	
2012			3	Group RS Rating 13
2013				SMR Rating D
2014				Acc/Dis Rating B
2015	-0.42			Composite Rating 43
2016	-0.44			Timeliness Rating D
2017	-0.67 ▲	58 15		Sponsorship Rating B
2018	-0.08	77 26		EPS Growth Rate N/A
2019	-0.52 est.	N/A ▼		Earnings Stability N/A
2020	-0.49 est.	N/A ▼		P/E Ratio N/A
				5-Year P/E Range N/A
				Return on Equity [N/A]
Yield	NONE			Cash Flow \$-0.01
ExDiv	N/A			
Book Value	X63.21			Debt 0%
Inventory T/O	21.73X			R&D 23.0%
U/D Vol Ratio	1.0			Alpha 0.49
New CEO	N/A			Beta 1.88
				Ownership
				Mgmt 1%
				Banks 1%
				Funds 46%
Top RS in Grp	Symbol	RS	EPS Rtg	No. of Funds
ReadIntB	RDIB	84	16	Dec-18 262
IqiYi A	IQ	82	16	Mar-19 306
Netflix	NFLX	53	89	Jun-19 403
Imax	IMAX	25	70	Jun-19 403
Cinemark n	CNK	16	50	Sep-19 630

Quarterly	EPS(\$)	% Chg	Sales(\$Mil)	% Chg
Dec-17	▲ 0.06	+100%	188.3	+28%
Mar-18	-0.07	N/A	136.6	+36%
Jun-18	0.01	#+106%	156.8	+57%
Sep-18	-0.09	N/A	173.4	+39%
Dec-18	0.05	-17%	275.7	+46%
Mar-19	-0.09	N/A	206.7	+51%
Jun-19	-0.08	N/A	250.1	+59%
Sep-19	-0.22	N/A	260.9	+50%



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YETI Hits New High, But Is It Flashing A Warning?



yeti.com

Yeti Holdings (YETI), which designs and markets premium coolers and other outdoor gear, is the IBD Stock of the Day. Shares vaulted to a new high early Wednesday but pared gains in a sharp reversal, before heading back up to close near the top of the day's range.

Still, after a 62% rally from a mid-February breakout to its session high, the stock could be getting ready to take a breather. It may be a good time to lock in some profits. Volume was tracking much higher than usual in early afternoon trading, and heavy turnover could signal that institutional investors are selling into strength.

Many leading stocks pause to digest gains after a 20% to 25% run-up following a breakout. Keep in mind too, Yeti has gained as much as 84% from its Oct. 25 offering price of \$1.25 a share.

On Feb. 14, Yeti Holdings soared 17% after its Q4 results. The Austin, Texas-based company earned 38 cents a share on \$241.2 million in sales; analysts expected 33 cents on \$237 million in revenue. It also guided for full-year EPS between 99 cents and \$1.04, above Street forecasts for 95 cents.

That helped propel the stock past a 19.30 buy point of an 11-week cup with handle base in tremendous volume, according to MarketSmith analysis. And it hasn't really

looked back since. The relative strength line is at new highs, a bullish sign.

IBD Stock Checkup assigns Yeti an 86 Composite Rating. That puts it among the leaders in the 19-stock leisure products industry group. The cooler maker's 98 Earnings Per Share and 99 Relative Strength ratings are best in the group. An A Accumulation/Distribution Rating points to more net buying than selling by mutual funds.

Yeti Scores Price Target Hike

Analysts also expect further growth from Yeti. Jefferies last week raised its price target to 40 from 35 and maintained a buy rating, citing an "expanding" brand reach and growing shelf space at **Dick's Sporting Goods (DKS)**, among other reasons.

So, Yeti Holdings looks solid all around. Yet, the sharp downward reversal during the session — combined with uncertain market direction — make a compelling argument to take some profits for now.

Remember **Canada Goose Holdings (GOOS)**?

The March 2017 IPO, displayed similar action and it also is a company with premium-priced products. The stock rallied as much as 437% from its initial offering price to a June 20 high. But it reversed sharply lower that day and fell the next two sessions. That week, shares sank nearly 6% in the heaviest volume since its IPO week.

The stock made another push higher after several months of choppy action, but quickly turned south again. It's still 34% below the June 20 high.

The lesson? Lock in some profits when red flags appear. That doesn't mean investors should stop watching stocks like Yeti. It could set up another buy opportunity, once it goes through a proper cooling off period.

Yeti Products Pricey

The company sells its signature Tundra coolers for as much as \$1,300. These are coolers for "the serious outdoor enthusiast rather than for the mass-discount retailers," the company says.

The cooler lineup includes more affordable options such as the Roadie 20, which costs \$200. Yeti also sells drinkware, bags and other accessories. Drinkware is actually a larger share of the business, and growing faster.

Yeti has skated clear of Leisure Products Industry Group big beasts **Harley-Davidson (HOG)** and **Polaris Industries (PII)**. However it still trails top dogs **Fox Factory (FOXF)** and **Clarus (CLAR)**.

Yeti Dog Bed Excites Analyst

William Blair analyst Sharon Zackfia was bullish on Yeti stock heading into earnings, rating it as outperform. New products are a key part of the CAN SLIM formula, and she believes the firm has a number of exciting items in the pipeline.

"New product innovation planned for the second half builds on Yeti's strengths, including a third-generation soft cooler (the Yeti M30 with a unique magnetic closure and a 50% wider opening), new seasonal colorways (River Green, Peak Purple, and Clay), and new items including the Rambler Junior (12-oz bottle designed for kids), the Daytrip lunch bag, and a dog bed," she said in a July 22 research note.

Looking ahead, she also expects investors to be rewarded with "healthy EPS growth" and believes the firm conservatively has potential to "double sales in the United States while growing a nascent international business."

Adapted from articles published on March 27 and August 1, 2019 in *Investor's Business Daily*.

Yeti Holdings Inc

Yeti Holdings Inc (YETI) NYSE Leisure-Products

Options Yes
Short Interest 11.5 days -1%

Market Capitalization \$2985.8 Million
Shares in Float 30.0 Million
Shares Outstanding 85.8 Million

Volume 2,171,700 \$34.79 -0.19
50-Day Avg Volume 1,470,900
Off 52-Week High -8.7%
52-Week Hi-Lo \$38.11-\$14.00

HEADQUARTERS: Austin, TX

PHONE: 512-394-9384

www.yeti.com

DESIGNS, MANUFACTURES AND MARKETING INNOVATIVE AND OUTSTANDI NG OUTDOOR PRODUCTS.

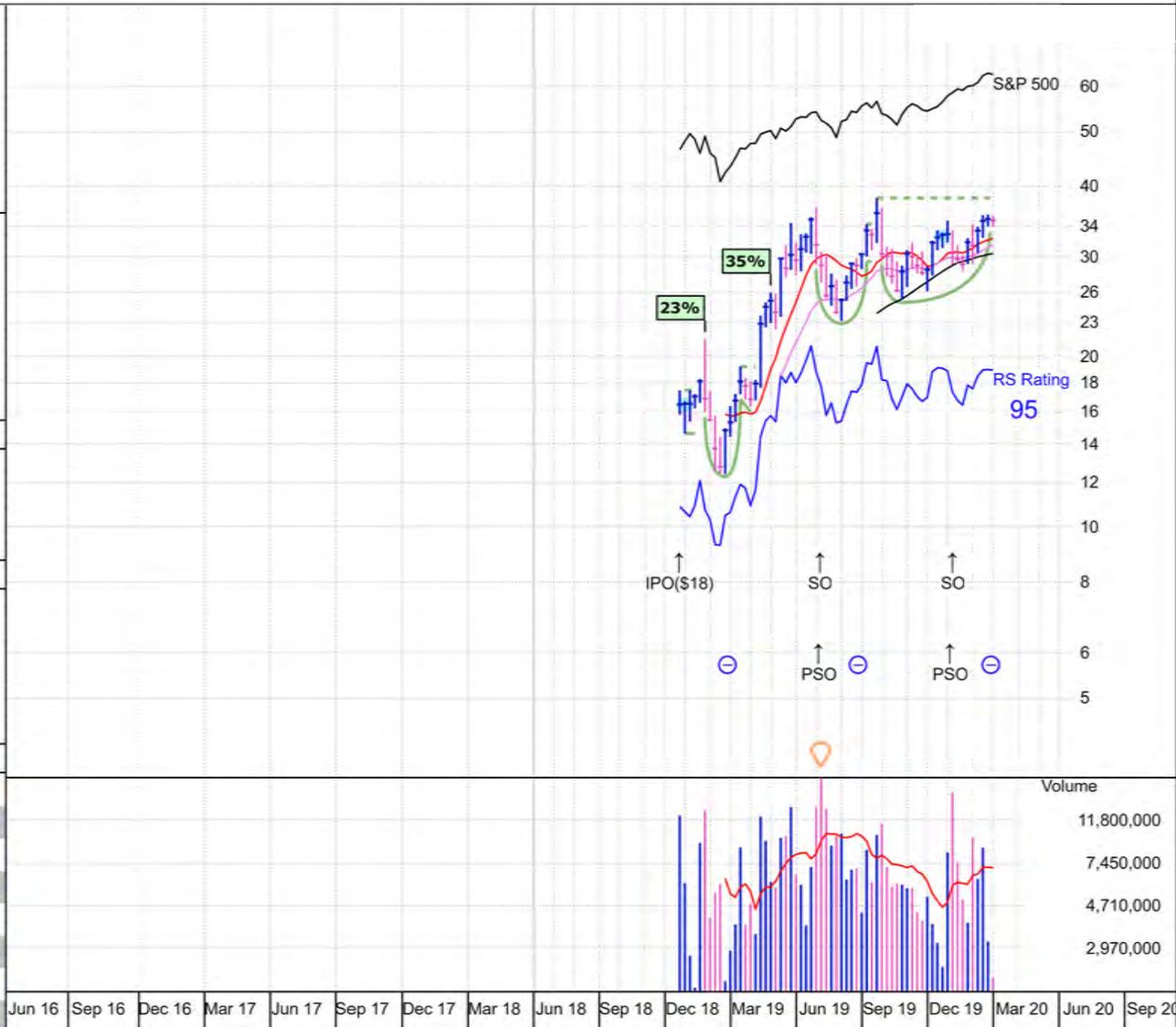
10/31/19 Expects 2019 capital expenditures of \$30 mil to \$35 mil

IPO 10/25/2018

Year (Dec)	EPS (\$)	Price(\$) High Low	EPS Rating	89
2012			Group RS Rating	77
2013	0.09		SMR Rating	N/A
2014	0.17		Acc/Dis Rating	B-
2015	0.95		Composite Rating	84
2016	1.61		Timeliness Rating	B
2017	0.28		Sponsorship Rating	C
2018	0.90	21 12	EPS Growth Rate	17%
2019	1.14	est. 27%▲	Earnings Stability	91
2020	1.36	est. 19%▲	P/E Ratio	32 (1.6 X SP)
			5-Year P/E Range	14-36
			Return on Equity	[N/A]
			Cash Flow	\$1.22
Yield	NONE		Debt	982%
ExDiv	N/A		R&D	N/A
Book Value	X103.77		Alpha	0.21
Inventory T/O	4.86X		Beta	1.83
U/D Vol Ratio	0.9			
New CEO	N/A			

Top RS in Grp	Symbol	RS	EPS Rtg	No. of Funds
Brp Inc	DOOO	93	20	Dec-18 151
Acushnet	GOLF	92	93	Mar-19 187
CallGolf	ELY	85	89	Jun-19 273
Brunswick	BC	85	77	Jun-19 273
JhnsnOtdrs	JOUT	84	93	Sep-19 281

Quarterly	EPS(\$)	% Chg	Sales(\$Mil)	% Chg
Dec-17	0.08	-80%	202.1	-3%
Mar-18	0.01	-67%	135.3	+28%
Jun-18	0.28	+833%	206.3	+39%
Sep-18	0.24	+85%	196.1	+7%
Dec-18	0.38	+375%	241.2	+19%
Mar-19	0.08	+700%	155.4	+15%
Jun-19	0.33	+18%	231.7	+12%
Sep-19	0.30	+25%	229.1	+17%



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12.31.2019

CEO Chris Rondeau Builds Muscle At Planet Fitness



Titima Ongkantong/Shutterstock.com

In the true spirit of an entrepreneur, Chris Rondeau followed his passion for hard work and risk taking to help build **Planet Fitness (PLNT)** into a company that has turned the health club industry on its head.

Rondeau, who became CEO of Planet Fitness in January 2013, joined the company while he was in college working at the front desk of the gym in 1993, a year after the company was founded by brothers Michael and Marc Grondahl.

And he's been at Planet Fitness ever since, working his way up as a club manager, then regional manager of several locations. In 2003, he became a partner with the founders and chief operating officer. When Rondeau became CEO, he replaced Michael Grondahl, who has since left the company.

Drawing on the leadership principles shaped by his various positions at Planet Fitness and by lessons he gleaned from his father, Rondeau played a major role helping the founders develop and refine the business model that has helped grow the business into a mighty contender in the fitness industry. It's also a company whose stock has weathered the recent market downturn, and earlier choppiness in 2018, to grow its price year to date by about 48%, though it's 11% off its high set Dec. 4. The NYSE Composite, where the stock trades, is down about 13% for the year.

Rondeau learned about being an entrepreneur from his father, who dropped out of high school but eventually owned and operated several pharmacies throughout Massachusetts while Rondeau was growing up.

"As a child growing up I saw him working hard," Rondeau told IBD. "I got my work ethic from him."

"The one thing my father taught me is I could do anything I set my mind to," he added. "Coming from him without a high school education, he was living proof."

Took Risks

That lesson came into play when Rondeau and the Planet Fitness founders revamped the traditional health club environment aimed at fitness buffs to one that caters to first-time gymgoers with a non-intimidating, low-cost business model.

Rondeau says over 40% of current Planet Fitness members had never gone to a gym before signing up at Planet Fitness.

"The key to success in business is not to be afraid of doing things differently," said Rondeau. "Don't be afraid of going against the grain. When you think of the **Apple (AAPL)** iPhone, people didn't realize there was anything better than the flip phones that were offered to them by every phone company out there. Apple wasn't afraid to abandon the flip phone and the competition by creating something new."

Similarly, Rondeau and the founders of Planet Fitness went against the grain and created a completely different gym experience than what was in the industry. People didn't realize the experience and affordability they were missing until Planet Fitness created it.

Rondeau and the founders not only created an innovative new business model, they also transformed Planet Fitness into a major force in its space.

"Planet Fitness is exceptionally competitive because of its national footprint and growing awareness of its different approach to the market aimed at non-gymgoers," Cowen & Co. analyst Oliver Chen told IBD. "It's a business model that's revolutionized fitness because of the attractiveness of this model to a wide market and low price. It's offering a very premium gym experience at a low price."

Planet Fitness is one of the largest owners and operators of health clubs in the U.S. in terms of the number of members and locations, Dorvin Lively, president and CFO of Planet Fitness, told IBD.

It boasts over 10.5 million members, up from 7 million at the end of 2012, just before Rondeau took the helm. And it has 1,500 locations nationwide. Over 95% of its stores are owned and operated by franchisees.

"We are clearly opening more health clubs in the U.S. at a faster rate than anyone," Lively said. "We've opened roughly 200 stores a year for the past three years."

On the financial front, he adds, Planet Fitness has had 43 straight quarters of positive same-store sales.

"That's 10 years plus three quarters," Lively pointed out. In the 2017 third quarter, same-store sales jumped 9.3% from a year earlier and revenue climbed 12.1%. In November it reported its best sales growth in more than four years.

Adapted from an article published on December 27, 2018 in Investor's Business Daily.

Planet Fitness Inc

Planet Fitness Inc Cl A (PLNT) NYSE Leisure-Services

Options Yes
Short Interest 5.2 days +72%

Market Capitalization \$6.75 Bil(\$6.07 Bil)
Shares in Float 75.2 Million
Shares Outstanding 90.4 Mil(81.8 Mil)

Volume 1,138,100 \$74.68 -0.81
50-Day Avg Volume 1,212,700
Off 52-Week High -8.8%
52-Week Hi-Lo \$81.90-\$51.61

HEADQUARTERS: Hampton, NH

PHONE: 603-750-0001

www.planetfitness.com

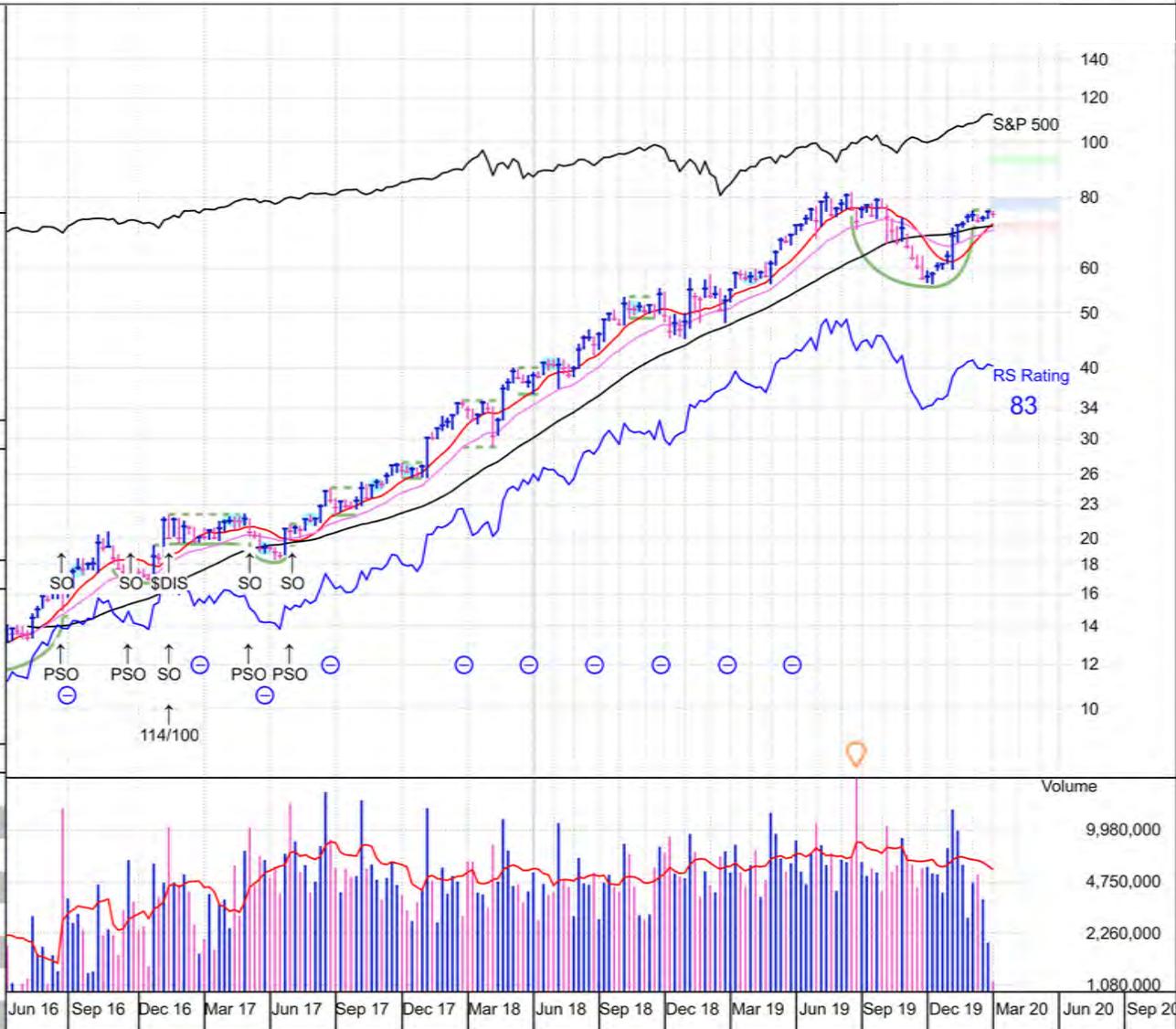
OPERATES 1,742 FITNESS CENTERS WITH APPROXIMATELY 12.5 MILLI ON MEMBERS IN 50 STATES, PUERTO RICO AND CANADA.

12/10/19 Pres Dorvin Lively to step down as CFO, effective January 6, 2020

IPO 8/06/2015

Year (Dec)	EPS (\$)	Price(\$) High Low	EPS Rating	
2012	0.25		98	Group RS Rating 44
2013	0.26			SMR Rating N/A
2014	0.42			Acc/Dis Rating B-
2015	0.38	18 12		Composite Rating 78
2016	0.69	22 11		Timeliness Rating A
2017	0.84	35 18		Sponsorship Rating C
2018	1.22	58 28		EPS Growth Rate 34%
2019	1.57	est. 29%▲		Earnings Stability 13
2020	1.91	est. 22%▼		P/E Ratio 49 (2.5 X SP)
Yield NONE				5-Year P/E Range 24-58
ExDiv		11/18/16		Return on Equity [N/A]
Book Value		X-17.90		Cash Flow \$1.55
Inventory T/O		146.63X		Debt N/A
U/D Vol Ratio		1.2		R&D N/A
New CEO		N/A		Alpha 0.05
				Beta 0.87
Top RS in Grp	Symbol	RS	EPS Rtg	No. of Funds
MarriottVactn	VAC	94	97	Dec-18 533
PointsIntl	PCOM	93	13	Mar-19 616
Onespaworld	OSW	87	6	Jun-19 678
SeaWrld Ent	SEAS	86	64	Jun-19 678
RoyalCarib	RCL	85	90	Sep-19 678

Quarterly	EPS(\$)	% Chg	Sales(\$Mil)	% Chg
Dec-17	0.24	+20%	134.0	+15%
Mar-18	0.27	+42%	121.3	+33%
Jun-18	0.34	+55%	140.6	+31%
Sep-18	0.28	+47%	136.7	+40%
Dec-18	0.34	+42%	174.4	+30%
Mar-19	0.35	+30%	148.8	+23%
Jun-19	0.45	+32%	181.7	+29%
Sep-19	0.36	+29%	166.8	+22%



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Generac, Tempur Sealy, Yeti Lead Key Earnings Reports



generac.com

Estee Lauder (EL), Yeti Holdings (YETI), TopBuild (BLD), Generac Holdings (GNRC), Tempur Sealy (TPX), Store Capital (STOR), Federal Signal (FSS), Global Payments (GPN) and Dunkin' Brands (DNKN) reported better-than-expected quarterly earnings before the stock market open.

Estee Lauder stock, Federal Signal stock and Yeti stock fell, while TopBuild stock, Generac stock, Store Capital stock, Dunkin' Brands stock and Global Payments stock moved higher. Tempur Sealy stock vaulted back above a buy point.

TopBuild stock has an unbeatable IBD Composite Rating of 99. Tempur Sealy stock and Store Capital stock follow with near-perfect Composite Ratings of 98. Federal Signal stock has a 97 CR. Generac stock and Dunkin' Brands stock are at 96. Top growth stocks often have a CR of 95 or better at the start of their big price runs. Estee Lauder stock has a 90 Composite Rating. Global Payments is at 89 while Yeti stock has an 88 CR.

Generac Earnings

Generac earnings came in flat at \$1.43 per share as revenue rose 7% to \$601.14 million. Analysts expected Generac earnings per share to fall 7.7% to \$1.32 with sales growing 3.2% to \$578 million. In Thursday's market, Generac stock leapt 4.2%. Shares were extended from a breakout past 60.80 in June. California's wildfires and

power shut-offs could stoke demand for the company's power generators.

Improving Market Leadership: Generac Earns 81 RS Rating

When putting together your watch list, focus on stocks with an 80 or higher RS Rating. **Generac** is one stock that just reached the mark, now earning a score of 81.

When looking for the best stocks to buy and watch, keep a close eye on relative price strength.

This exclusive rating from Investor's Business Daily measures share price performance with a 1 (worst) to 99 (best) score. The grade shows how a stock's price movement over the last 52 weeks compares to all the other stocks in our database.

Decades of market research shows that the best-performing stocks typically have an RS Rating north of 80 in the early stages of their moves.

Generac is working on a consolidation with a 60.80 buy point. See if it can break out in volume at least 40% above average.

Generac saw both earnings and sales growth rise last quarter. Earnings-per-share increased from 2% to 23%. Revenue rose from 14% to 18%.

Generac holds the No. 2 rank among its peers in the Electrical Power/Equipment industry group. **Generac (GNRC)** is the top-ranked stock within the group.

Adapted from articles published on June 4 and October 31, 2019 in *Investor's Business Daily*.

Generac Holdings Inc

Generac Hldgs Inc (GNRC) NYSE Electrical-Power/Equipmt

Volume 632,100 \$100.58 -1.13

Options Yes
Short Interest 3.0 days -13%

Market Capitalization \$6290.4 Million
Shares in Float 60.7 Million
Shares Outstanding 62.5 Million

50-Day Avg Volume 680,400
Off 52-Week High -2.2%
52-Week Hi-Lo \$102.82-\$48.42

HEADQUARTERS: Waukesha, WI

PHONE: 262-544-4811

www.generac.com

MANUFACTURES STANDBY POWER GENERATORS AND COMPONENTS FOR RES IDENTIAL, OIL/GAS, INDUSTRIAL AND COMMERCIAL

10/31/19 Raised 2019 adjusted EBITDA growth guidance to about 20.5%.

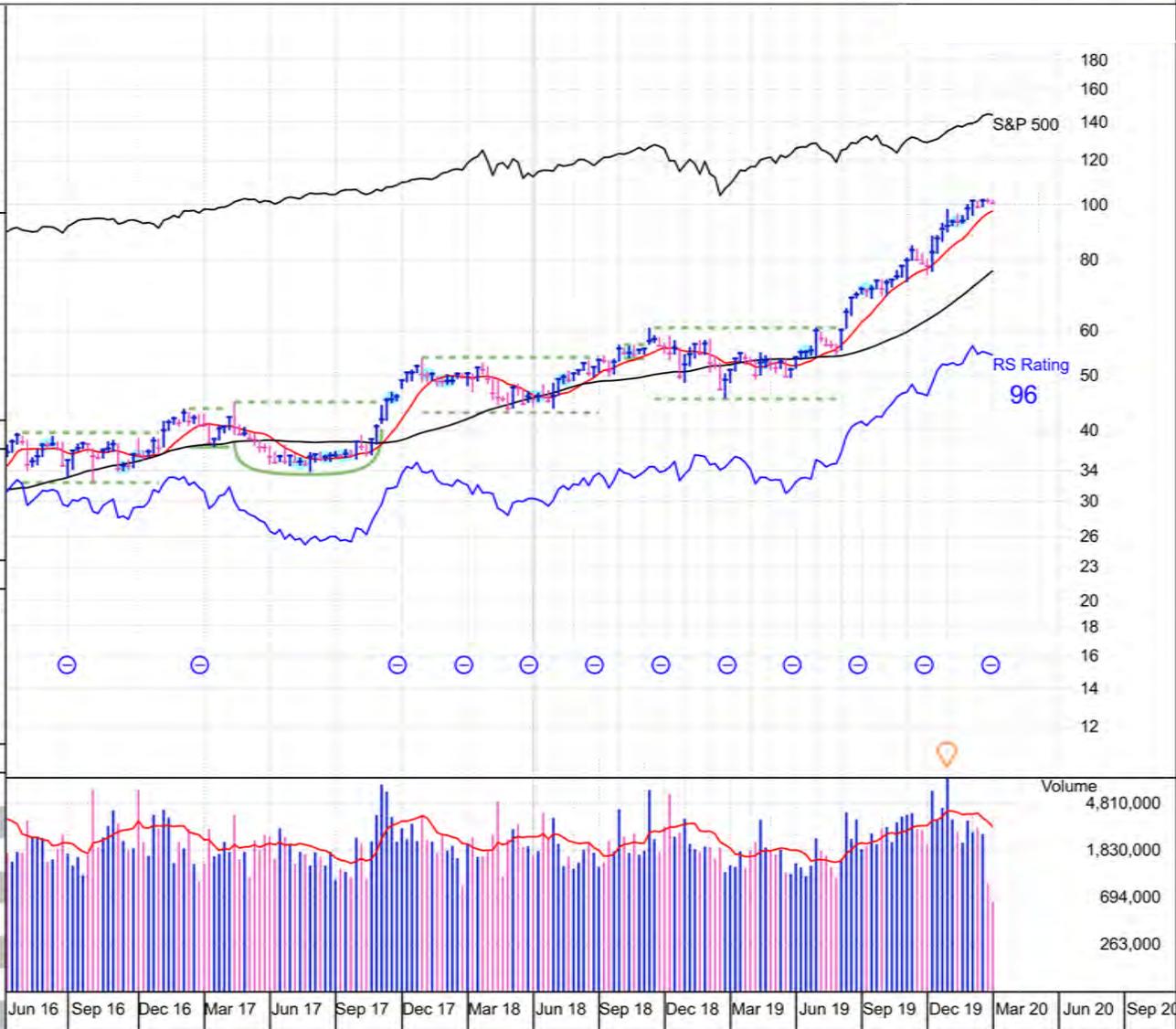
IPO 2/11/2010

Year (Dec)	EPS (\$)	Price(\$) High Low	EPS Rating	66
2012	3.19	34 14	Group RS Rating	91
2013	4.33	57 28	SMR Rating	A
2014	3.34	62 38	Acc/Dis Rating	A-
2015	2.87	50 26	Composite Rating	96
2016	3.03	43 26	Timeliness Rating	B
2017	3.38	53 33	Sponsorship Rating	C
2018	4.70	60 42	EPS Growth Rate	11%
2019	4.91	est. 4%▼	Earnings Stability	13
2020	5.27	est. 7%▲	P/E Ratio	20 (1.0 X SP)
			5-Year P/E Range	9-21
			Return on Equity	44%
			Cash Flow	\$5.11

Yield	NONE		Debt	115%	Ownership	
ExDiv	6/10/13		R&D	2.5%	Mgmt	3%
Book Value	X8.32		Alpha	0.17	Banks	1%
Inventory T/O	4.34X		Beta	1.14	Funds	70%
U/D Vol Ratio	2.0					
New CEO	N/A					

Top RS in Grp	Symbol	RS	EPS Rtg	No. of Funds
PowellInds	POWL	96	78	Dec-18 516
AllMot	AMOT	88	59	Mar-19 521
BwxTech	BWXT	87	93	Jun-19 561
RockwellAuto	ROK	86	66	Sep-19 649
ABB	ABB	86	51	

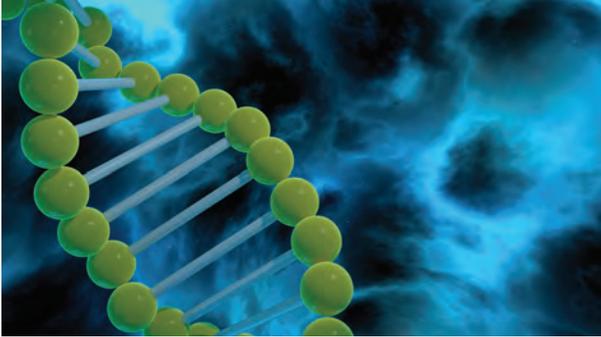
Quarterly	EPS(\$)	% Chg	Sales(\$Mil)	% Chg
Dec-17	1.39	+24%	493.1	+18%
Mar-18	0.74	+90%	400.1	+19%
Jun-18	1.11	+63%	497.6	+26%
Sep-18	1.43	+55%	562.4	+23%
Dec-18	1.42	+2%	563.4	+14%
Mar-19	0.91	+23%	470.4	+18%
Jun-19	1.20	+8%	541.9	+9%
Sep-19	1.43	0%	601.1	+7%



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12.31.2019

This Biotech Stock With A 221% Gain In 2019 Is Ready For 'Prime Time'



CI Photos/Shutterstock.com

Arrowhead Pharmaceuticals (ARWR) is using a technology called RNAi to tackle two colossal hurdles in treating genetic diseases. And it's helping Arrowhead stock to finally realize profits after the biotech company operated for years in the red.

RNAi, or RNA interference, is a method of silencing genes. Some genetic diseases cause the overproduction of troublesome proteins. So biotech companies like Arrowhead say they can turn off that protein spigot by silencing the genes.

Doing so could temporarily halt some genetic diseases.

The technology tends to work best in liver diseases. Arrowhead Chief Executive Christopher Anzalone isn't content with that. He recently unveiled plans to test RNA-interfering drugs in patients with cancer, as well as in diseases of the lungs, heart and muscles.

And, in an unprecedented move, the biotech company is planning to use RNAi to target more than one gene in a single drug. Anzalone remains mum on the initial target, but confirmed to Investor's Business Daily that this is a first in the gene-silencing realm.

"There's an awful lot we can do by knocking down two target genes with a single drug that you can't do by just knocking down a single gene," he said. "It expands the

universe of diseases we can go after and it enables us to go after diseases in a more complete and complex way."

Arrowhead Stock: Biotech Company's Decade In RNAi

Arrowhead has nearly a decade of experience in studying RNAi. In 2011, the biotech company bought **Roche's (RHHBY)** entire RNAi business. Several years later, Arrowhead acquired **Novartis' (NVS)** RNA interference unit. Those businesses helped Arrowhead better understand the technology and genetic diseases.

Now, the technology is ready for "prime time," Anzalone said.

"From my perspective, it's an exciting time to be in RNA interference," he said.

It's also been exciting for Arrowhead investors. Shares have run up 221% year to date.

Arrowhead stock broke out of a cup base with a buy point at 36.90 on Oct. 17. Although the biotech company didn't retain that gain at the close, shares definitively topped that buy point again on Oct. 22.

RNAi: How The Biotech Company Is Using It

There's been a lot to excite Arrowhead investors recently. The biotech company confirmed its plan to go after two genes simultaneously in one genetic medicine in mid-October. Later that month, Arrowhead hosted its Research and Development Day in New York.

Jefferies analyst Maury Raycroft sees Arrowhead's pipeline as "rapidly scalable." Liver gene targets are valuable, but breaking into other diseases "could be a game-changer," he said in a recent note to clients.

And that's the point, Anzalone told IBD.

Arrowhead has validated that its technology works in liver diseases. Now, the biotech company is aiming to do

the same in kidney cancer, cystic fibrosis and muscular diseases. By the end of 2020, the biotech company plans to have clinical studies in four different cell types.

The biotech company's technology is based on its proof in liver diseases, but "once we show we can do that for solid tumors, skeletal muscles and lung diseases, we can really expand our pipeline and our value in a pretty rapid fashion," Anzalone said.

Other Companies Are Silencing Genes

It's important to note, other biotech companies are using RNAi in genetic diseases outside the liver. **Anylam Pharmaceuticals (ALNY)** and **Ionis Pharmaceuticals (IONS)** – the latter of which uses a slightly different type of technology – are aiming outside the liver.

But Anzalone says Arrowhead is most advanced in this regard.

Notably, the biotech company expects to be the first to use RNA interference in the diseases it's currently targeting.

"We're not a 'me-too,' follower company," he said. "Everything we do, we expect to be the first of this modality in the market. That's an important thing for our growth going forward."

Adapted from an article published on November 1, 2019 in *Investor's Business Daily*.

Arrowhead Pharma

Arrowhead Pharma (ARWR) NASDAQ Medical-Biomed/Biotech

Options Yes
Short Interest 4.8 days -28%

Market Capitalization \$6349.7 Million
Shares in Float 95.1 Million
Shares Outstanding 100.1 Million

Volume 2,402,300 \$63.43 -1.50
50-Day Avg Volume 2,542,400
Off 52-Week High -14.0%
52-Week Hi-Lo \$73.72-\$11.67

HEADQUARTERS: Pasadena, CA

PHONE: 626-304-3400

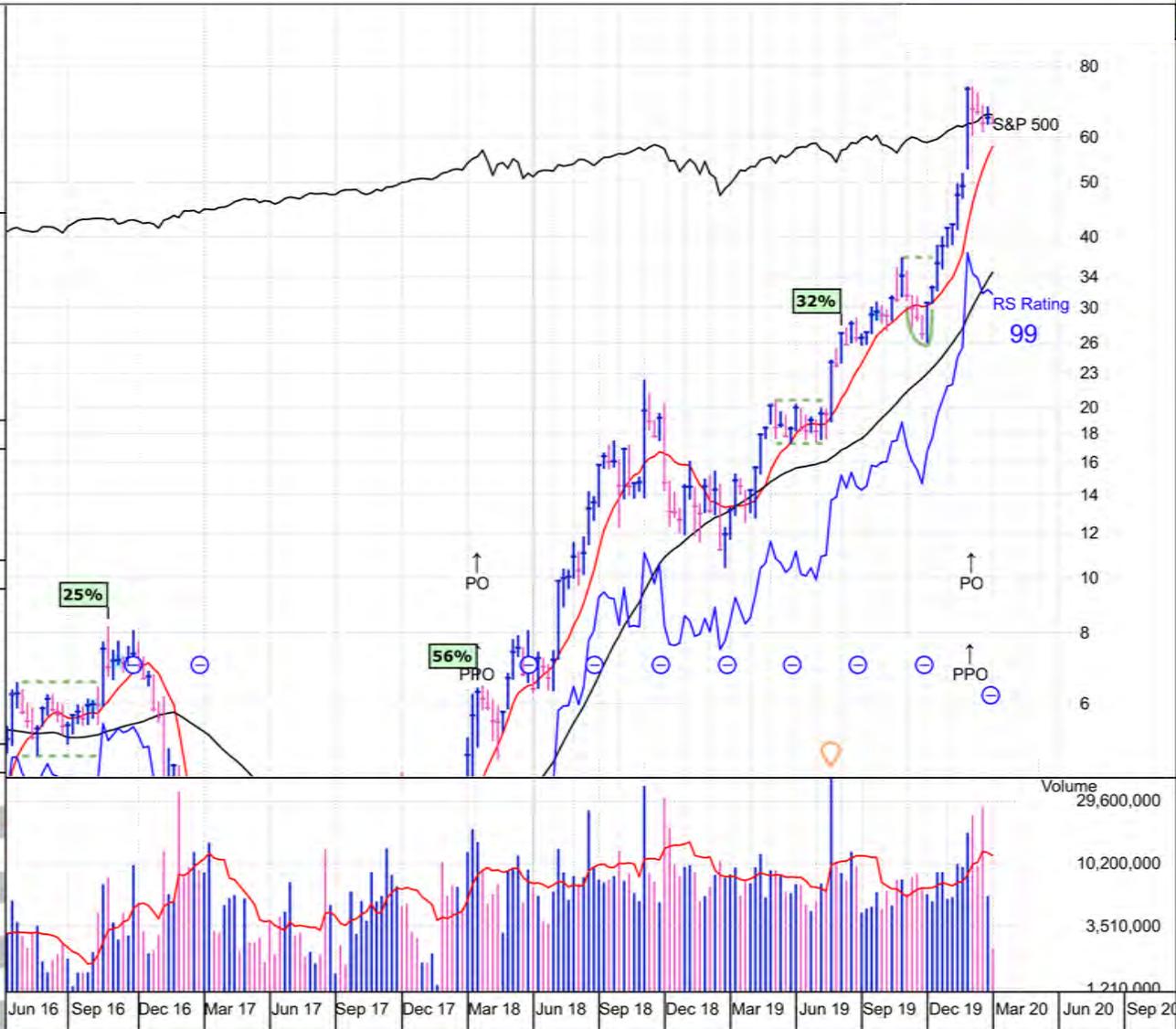
www.arrowheadpharma.com

DEVELOPED RNAI INTERFERENCE AND PEPTIDE DRUG CONJUGATES FOR A WIDE RANGE OF DISEASES.

11/15/19 Bruce D. Given to retire as COO, effective May 1, 2020

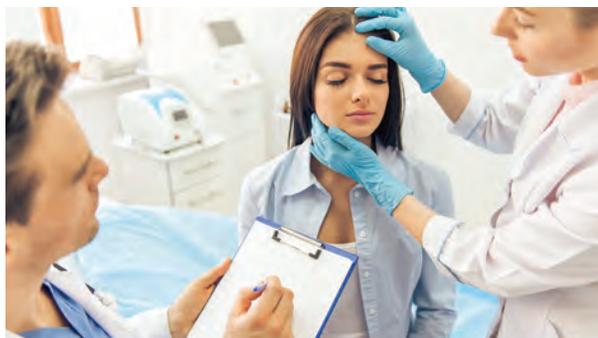
Year (Sep)	EPS (\$)	Price(\$) High Low	EPS Rating	77
2013	-1.30	11 1	Group RS Rating	99
2014	-1.25	27 4	SMR Rating	A
2015	-1.60 ▲	9 4	Acc/Dis Rating	B-
2016	-1.34 ▲	8 1	Composite Rating	99
2017	-0.47	4 1	Timeliness Rating	B
2018	-0.65	22 3	Sponsorship Rating	D
2019	0.69	73 11	EPS Growth Rate	N/A
2020	-0.32 est.	N/A ▲	Earnings Stability	N/A
2021	-0.52 est.	N/A ▼	P/E Ratio	93 (4.7 X SP)
Yield NONE			5-Year P/E Range	37-294
ExDiv N/A			Return on Equity	40%
Book Value X26.28			Cash Flow	\$0.71
Inventory T/O N/A			Debt 0%	Ownership
U/D Vol Ratio 1.0			R&D 48.0%	Mgmt 5%
New CEO N/A			Alpha 0.51	Banks 0%
			Beta 1.94	Funds 46%
Top RS in Grp	Symbol	RS	EPS Rtg	No. of Funds
RecroPharma	REPH	99	56	Dec-18 212
Aravive	ARAV	99	53	Mar-19 240
MicrobotMed	MBOT	99	42	Jun-19 290
Eidos Thera	EIDX	99	41	Jun-19 290
AdverumBio	ADVM	99	38	Sep-19 333

Quarterly	EPS(\$)	% Chg	Sales(\$Mil)	% Chg
Dec-17	-0.18	N/A	3.5	-20%
Mar-18	-0.18	N/A	0.7	-93%
Jun-18	-0.18	N/A	0.7	-92%
Sep-18	-0.12	N/A	11.3	+29%
Dec-18	0.13	#+172%	34.7	+887%
Mar-19	0.24	#+233%	48.2	+999%
Jun-19	0.21	#+217%	42.7	+999%
Sep-19	0.11	#+192%	43.3	+284%



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This IPO Has Rocketed 256% In 3 Months As It Redefines Plastic Surgery



George Rudy/Shutterstock.com

Medical aesthetics company **InMode (INMD)** is trying to redefine the plastic surgery industry — and this has put InMode stock on an incredible run.

Shares of InMode have rocketed 256% in the three months since its initial public offering. InMode stock is also a rarity in its industry: It's profitable.

Chief Executive Moshe Mizrahy credits InMode's recent success to its differentiated technology. The traditional plastic surgery world is based on scalpels and lasers. InMode, on the other hand, uses radiofrequency technology to melt fat and tighten the skin simultaneously.

"Our technology allows us to do reshaping of the body and the face," Mizrahy told *Investor's Business Daily*. "This is something unique and well protected. So, I believe the market recognizes we're growing very fast and we're very profitable."

InMode Stock: Redefining The Plastic-Surgery World

Mizrahy and Chief Technology Officer Michael Kreindel cofounded InMode in 2008.

It took two years to develop the technology. InMode launched its first products in Europe in 2013-14 and in the U.S. in 2016, he said. Today, InMode sells systems that can contour the body and face. It counts Kim Kardashian, Emma Roberts and Chrissy Teigen among its users.

The platform uses two electrodes. One is placed under the skin using local anesthesia, while the second is on a wand pressed against the skin. Energy then flows between the two electrodes. As it does, waves of radiofrequency ablate fat cells and tighten the skin simultaneously.

This is unique in the plastic surgery world, Mizrahy said. In 2017, **Allergan (AGN)** spent \$2.48 billion to buy Zeltiq Aesthetics, a medical aesthetics company that specialized in Coolsculpting. Coolsculpting freezes away fat cells. But, says Mizrahy, the procedure doesn't tighten the skin simultaneously.

"If you kill the fat — because of the freezing — you still need to do skin tightening, otherwise the skin is loose," he said. "We developed something that can give this opportunity in one platform in one treatment to do fat-killing and skin-tightening simultaneously."

Medical Aesthetics Company Sells To Doctors

The medical aesthetics company sells its equipment to doctors.

For example, a doctor might spend \$130,000 to buy a BodyTite system. Each procedure also requires one-time tools that cost roughly \$200-\$400. The outlay sounds pricey. But each treatment generates about \$6,000-\$8,000 in revenue.

So by even doing one procedure a week, a doctor could pay off the system in under a year.

"This is the reason why 30% of the doctors have already bought a second machine," Mizrahy said. "Because the return on investment is quite attractive to the doctor."

The procedures could be attractive for InMode stock on the patient side. InMode's technology is classified as minimally invasive surgery, Mizrahy said. Patients are treated under local anesthesia. Each procedure runs for under an hour, leaves no scarring and recovery spans less than a day, he said.

InMode's technology is also significantly less expensive for the consumer than plastic surgery. This is important because insurance companies typically don't pay for elective procedures like medical aesthetics.

"Many people who want to do face and body reshaping, they cannot afford \$20,000-\$30,000 for surgery, but they can afford \$6,000-\$7,000 for FaceTite or BodyTite," he said. "They are better off with something with which they can stay awake and see what the doctor is doing on them."

InMode Stock Has Rocketed This Year

So far, the thesis is playing out for InMode stock.

The medical aesthetics company has more than two years of at least double-digit sales growth under its belt. In the second quarter, reported days after InMode stock went public, the company posted 55% sales growth to \$38.8 million. Adjusted earnings were 48 cents per share, up 109%.

A day later, InMode stock soared more than 16%.

During the third quarter, InMode earnings jumped 77% to 46 cents per share. Sales rocketed 57% to \$40 million. In fact, InMode's sales have accelerated for three straight quarters now. InMode stock flew another 20% in a single day after its third-quarter earnings announcement.

Mizrahy expects this trend to continue. For the year, he calls for at least \$150 million in sales, which would increase 50% year over year. He notes the technology still has 13 years of patent protection.

Adapted from an article published on November 15, 2019 in Investor's Business Daily.

This Recent Diagnostics IPO Is Having An Astronomical Run — Here's Why



Roman Zaiets/Shutterstock.com

Guardant Health stock has had an astronomical run this month, thanks to positive data for its cancer-treatment blood tests and a strong fourth quarter.

This month, **Guardant Health (GH)** shares have spiked more than 46%. On the stock market today, shares jumped 3.2%, to 97.51, in massive volume. Guardant Health stock went public in October with an initial public offering at 19.

The diagnostics company is in a sweet spot. It provides blood tests that can detect some biomarkers in patients with an advanced form of lung cancer. Knowing a patient's biomarkers can help physicians identify potentially useful targeted cancer treatments.

Guardant Health says the market for these blood tests, also known as liquid biopsies, is currently worth \$15 billion, Leerink analyst Puneet Souda said in a recent note to clients. During a panel, Souda spoke with two oncologists regarding liquid vs. tissue biopsies.

"These panelists see significant growth for liquid biopsy in recurrence monitoring and post-surgical setting, with expectation that in three to five years the liquid biopsy market for recurrence monitoring is likely to be in the multiples of the current market," he said.

Guardant Blood Tests On Par With Tissue Biopsies

In February, Guardant released the results of a test

comparing its blood tests with standard tissue biopsies given to previously untreated lung cancer patients. Guardant's blood tests, dubbed Guardant360, proved on par with tissue biopsies in non-small-cell lung cancer.

Guardant360 blood tests found biomarkers in 77 lung cancer patients. Tissue biopsies detected biomarkers in 60 patients.

"However, it's also important to note that liquid is not superior to tissue," Souda said, "as 12 of the 60 patients had (biomarkers) detected only via tissue."

The turnaround time is key. Guardant's blood tests provided results in nine days vs. 15 for traditional tissue biopsies, he said. In some cases, the biopsy may need to be repeated — delaying the testing and results even further, he said.

Still, panelists expected tissue biopsies to reign for the next three to five years.

"Our panelists subscribed to the view that both tissue and liquid testing should be done in the advanced cancer setting, given sweet spots of each testing modality," Souda said.

Guardant Health Stock Pops On Revenue Growth

Guardant Health stock soared nearly 28% on Wednesday after the diagnostics company reported strong fourth-quarter sales. Revenue popped 64% to \$32.9 million, beating analyst forecasts for \$25.8 million, William Blair analyst Brian Weinstein said.

Precision oncology sales were \$28.1 million, growing 98% to top Weinstein's estimate for \$22.4 million. Development services generated \$4.78 million, sinking 18%, but beating his expectation for \$2.9 million.

Initial guidance for 2019 sales of \$130 million to \$135 million would rise 46% at the midpoint, and was well above Wall Street views for \$117.8 million, Weinstein said in a note. He kept his outperform rating on Guardant Health stock.

"Simply put, things appear to be on solid footing and management is pressing on the gas in 2019 in the form of accelerated investments across the company to ensure longer-term success," he said.

Guardant Is A Highly Ranked Diagnostics Company

Guardant Health stock ranks fifth in its medical services industry group. The group itself is particularly strong, and ranks 12th out of 197 groups tracked by Investor's Business Daily. That improved from No. 26 just last week.

Shares of Guardant Health have a best-possible Relative Strength Rating of 99, reflecting their strong performance since coming public.

Guardant Health stock has a lower Composite Rating of 81, which measures key growth metrics.

But Guardant has an EPS Rating of 12 out of a total 99, as the diagnostics company still isn't profitable. In the fourth quarter, Guardant Health lost 29 cents per share, on an adjusted basis.

Scanning for strong sales growth uncovers potential leaders among IPOs, most of which are not profitable and therefore are not included in many of IBD's proprietary stock screens. Medical technology is a sector spawning many potential leaders, Scott O'Neil noted at IBD's CAN SLIM Master's Program in December. O'Neil is chief executive of Data Analysis Inc., IBD's parent company.

Analysts polled by Zacks Investment Research expect Guardant Health to continue posting annual losses for the next three years. But they expect those losses to narrow each year from \$1.26 per share in 2019 to 88 cents in 2020 and 47 cents in 2021.

Adapted from an article published on March 14, 2019 in *Investor's Business Daily*.

Guardant Health Inc

Guardant Health Inc (GH) NASDAQ Medical-Services		Volume 1,242,400	\$78.14 -0.67
Options Yes	Market Capitalization	\$7337.7 Million	50-Day Avg Volume 999,300
Short Interest 3.9 days +31%	Shares in Float	64.8 Million	Off 52-Week High -30.4%
	Shares Outstanding	93.9 Million	52-Week Hi-Lo \$112.22-\$33.70

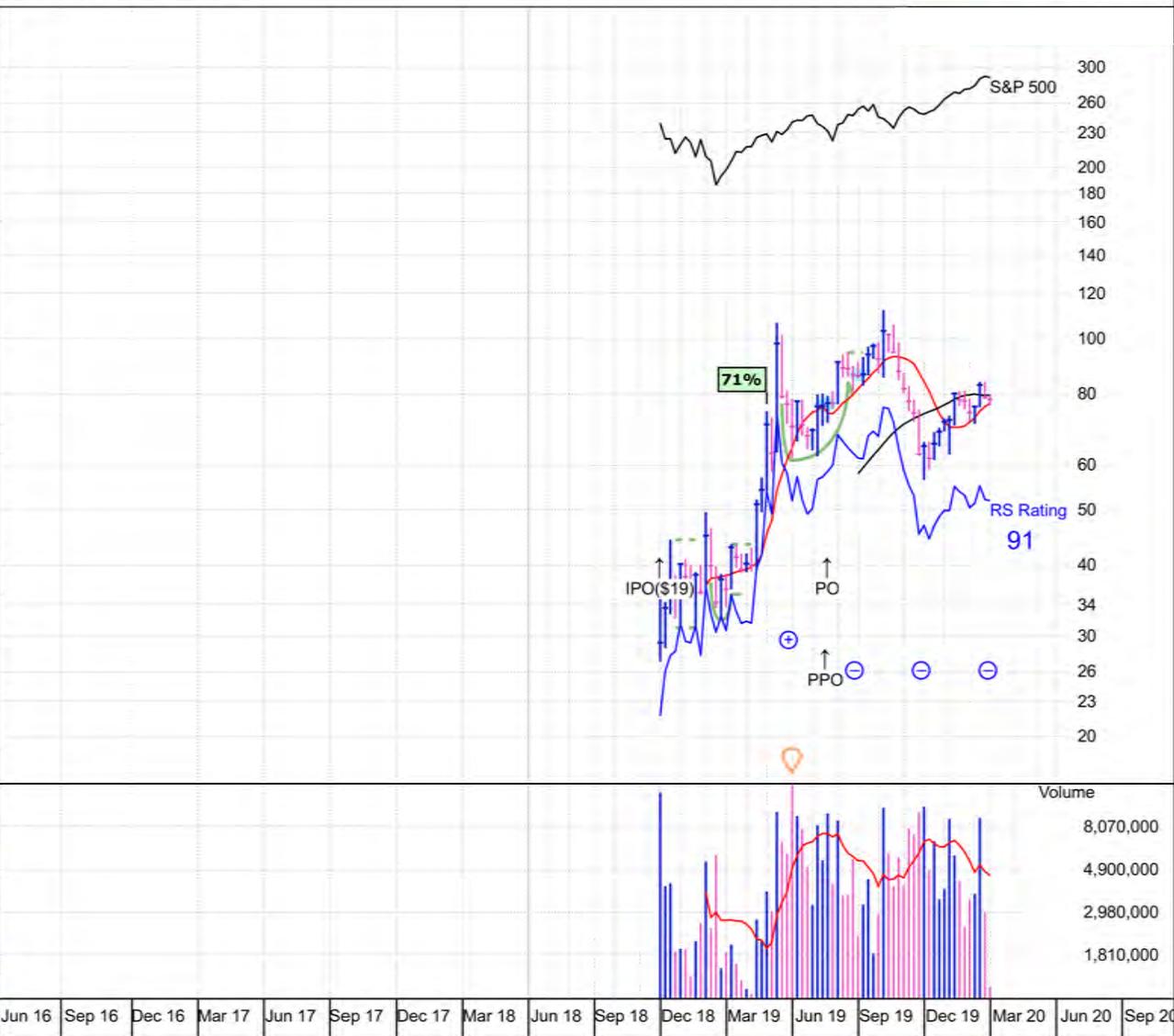
HEADQUARTERS: Redwood City, CA PHONE: 855-698-8887 www.guardanthealth.com

PROVIDES NON-INVASIVE CANCER DIAGNOSTICS AND A COMPREHENSIVE GENOMIC AND LIQUID BIOPSY.

03/12/19 Expects 2019 net loss of \$126 mil to \$129 mil on revenues of \$130 mil to \$135 mil IPO 10/04/2018

Year (Dec)	EPS (\$)	Price(\$) High Low	EPS Rating	
2012			48	Group RS Rating 15
2013				SMR Rating D
2014				Acc/Dis Rating B+
2015				Composite Rating 61
2016	-0.54			Timeliness Rating B
2017	-0.91			Sponsorship Rating B
2018	-1.00	49 27		EPS Growth Rate N/A
2019	-0.88	est. N/A▲		Earnings Stability N/A
2020	-1.22	est. N/A▲		P/E Ratio N/A
				5-Year P/E Range N/A
				Return on Equity [N/A]
Yield	NONE			Cash Flow \$-0.91
ExDiv	N/A			Debt 0%
Book Value	X15.14			R&D 56.0%
Inventory T/O	11.04X			Alpha 0.20
U/D Vol Ratio	1.4			Beta 1.77
New CEO	N/A			
Top RS in Grp	Symbol	RS	EPS Rtg	No. of Funds
CastleBiosci	CSTL	98	66	Dec-18 239
NeoGenomics	NEO	97	86	Mar-19 257
Catasys	CATS	70	4	Jun-19 368
Tivity Hlth	TVTY	67	80	Sep-19 394
Joint Corp	JYNT	67	77	

Quarterly	EPS(\$)	% Chg	Sales(\$Mil)	% Chg
Dec-17	-0.18	N/A	20.0	+217%
Mar-18	-0.16	N/A	16.7	+96%
Jun-18	-0.25	N/A	19.4	+90%
Sep-18	-0.29	N/A	21.7	+95%
Dec-18	-0.29	N/A	32.9	+64%
Mar-19	-0.30	N/A	36.7	+120%
Jun-19	-0.13	N/A	54.0	+179%
Sep-19	-0.14	N/A	60.9	+181%



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MEDICAL

How This Red-Hot Medical Stock Is Using Electricity To Battle Cancer



Medical devices maker **Novocure (NVCR)** is harnessing the power of physics in cancer treatment.

The company launched in 2000 to test a theory from founder Yoram Palti, a physiology and biophysics professor, who theorized he could use electric fields at specific frequencies to disrupt the rampant division of cancer cells. Now the company's chief technology officer, Palti suggested it would kill the cancer cells.

At the time, it was a "crazy" idea, says William Doyle, the company's current executive chairman.

"It wasn't like the immunotherapy or gene therapy that had been studied since the 1970s," Doyle told Investor's Business Daily. "This was a completely new idea that came from a bunch of engineers and physicists and it was completely new. Most doctors are trained up the biology path, rather than the physics pathway."

Yet the theory panned out in 2011 when Novocure gained its first Food and Drug Administration approval. The medical devices company followed that up with subsequent approvals in 2015, 2016 and 2019. In the recent third quarter, Novocure reported its first-ever period of profitability and 42% sales growth.

"In many respects, we're just getting started," Doyle said.

How Novocure Tackles Cancer Treatment

In traditional cancer treatment, most people think of surgery, radiation and chemotherapy. Electricity doesn't usually come to mind, but Novocure found it a useful weapon.

When a cell divides, the membrane around the nucleus disintegrates and the 23 chromosomes line up across the cell. A structure called the spindle self-assembles from proteins. The spindle attaches to the chromosomes in a specific way. It pulls the DNA into two new cells, Doyle said.

But in cancer, cell division is uncontrolled, and that's what can lead to a tumor.

As it turns out, the proteins that develop the spindle have a high electric charge, Doyle said. This is how the proteins link up to create the spindle — one end has a positive charge; the other has a negative charge. This is where Novocure is trying to intervene.

By using an electric field, Novocure's technology selectively prevents cells from dividing. The proteins can no longer line up to form a spindle and pull apart the chromosome.

"Instead of one cell becoming two and two cells becoming four, one cell will self-destruct and become zero," Doyle said.

Medical Devices In Cancer Treatment

Novocure's medical device, Optune, first gained FDA approval in 2011. At the time, the FDA allowed Optune to be used in patients with recurring glioblastoma, a form of brain cancer. In 2015, the FDA approved the medical device for patients with newly diagnosed glioblastoma.

The latter is where Novocure can do the most good, Doyle said.

"Our therapy works best when it's started at the time of diagnosis, right after radiation," he said.

In 2016, the FDA approved a next-generation version of Optune. And this year, U.S. regulators approved a new medical device from Novocure known by the test name NovoTTF-100L. TTF stands for tumor-treating field, the technical name for Novocure's technology. It's approved to treat some patients with mesothelioma, a form of lung cancer.

The medical devices company also seeks to treat other forms of cancer, with four late-stage studies underway. It's looking at brain metastases — cancer that has spread after starting in the lungs.

The company also is testing its methods in lung, pancreatic and ovarian cancer treatment. Further, it has a Phase 2 study underway in liver cancer, and is soon to begin a test in stomach cancer.

No Known Toxic Side Effects

Novocure expects a cadence of data readouts beginning in 2021.

So far, the technology has succeeded in every clinical test, Doyle said. Unlike pharmaceutical products, which often only work in subsets of patients, Novocure's technology is the same across the board, he adds. And unlike chemotherapy, Doyle contends there are no known toxic side effects limiting exposure.

"They all work the same way," he said. "Each one is not a new invention. Each one is using the same technology to fight a different cancer. And we tune it to each cancer type. As a result, each one is customized, if you will, for the cancer type. But it's all using the same mechanism of action."

Adapted from an article published on December 4, 2019 in *Investor's Business Daily*.

Novocure Limited

Novocure Limited (NVCR) NASDAQ Medical-Products

Options Yes
Short Interest 4.9 days N/A%

Market Capitalization \$8340.0 Million
Shares in Float 86.1 Million
Shares Outstanding 99.0 Million

Volume 1,796,400 \$84.27 -3.29
50-Day Avg Volume 770,500
Off 52-Week High -14.6%
52-Week Hi-Lo \$98.70-\$31.19

HEADQUARTERS: UNITED KINGDOM

PHONE:

www.novocure.com

DEVELOPS NOVEL THERAPY FOR THE TREATMENT OF SOLID TUMOR CANCERS INCLUDING GLIOBLASTOMA BRAIN CANCER.

12/18/17 Received FDA IDE approval to initiate Phase III clinical trial of PANOVA 3, treats advanced pancreatic cancer

IPO 10/02/2015

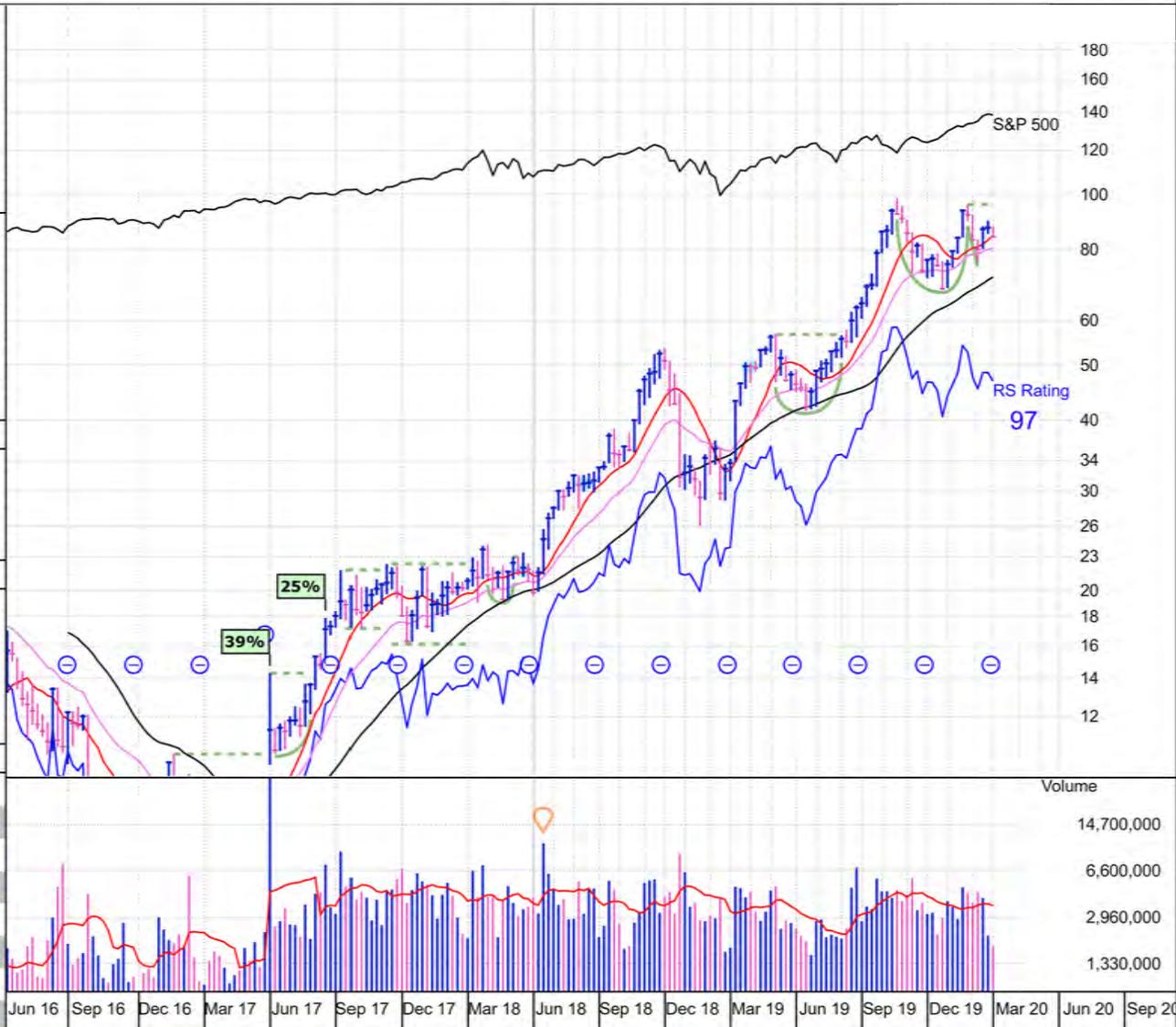
Year (Dec)	EPS (\$)	Price(\$) High Low	EPS Rating	70
2012			Group RS Rating	79
2013	-0.94		SMR Rating	D
2014	-0.96		Acc/Dis Rating	B+
2015	-1.33	30 15	Composite Rating	87
2016	-1.54▲	23 5	Timeliness Rating	A
2017	-0.70	22 6	Sponsorship Rating	C
2018	-0.69	53 19	EPS Growth Rate	N/A
2019	-0.12	est. N/A▲	Earnings Stability	N/A
2020	0.38	est. N/A▼	P/E Ratio	N/A
			5-Year P/E Range	N/A

Yield NONE
ExDiv N/A

Book Value	X75.17	Debt	133%	Ownership	
Inventory T/O	11.13X	R&D	20.4%	Mgmt	6%
U/D Vol Ratio	1.1	Alpha	0.23	Banks	1%
New CEO	N/A	Beta	1.63	Funds	56%

Top RS in Grp	Symbol	RS	EPS Rtg	No. of Funds
Insulet	PODD	95	30	Dec-18 313
10xGenomA	TXG	95	19	Mar-19 358
TactileSysTch	TCMD	94	94	Jun-19 367
Repligen	RGEN	92	99	Sep-19 447
Conmed	CNMD	92	88	

Quarterly	EPS(\$)	% Chg	Sales(\$Mil)	% Chg
Dec-17	-0.12	N/A	53.7	+77%
Mar-18	-0.23	N/A	52.1	+49%
Jun-18	-0.17	N/A	61.5	+60%
Sep-18	-0.13	N/A	64.8	+29%
Dec-18	-0.17	N/A	69.7	+30%
Mar-19	-0.13	N/A	73.3	+41%
Jun-19	-0.01	N/A	86.7	+41%
Sep-19	0.02	#+115%	92.1	+42%



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This Stock Just Bounded Above An Aggressive Buy Point



insulet.com

Insulet is the IBD Stock Of The Day after the diabetes treatment player smashed third-quarter estimates and topped its 50-day moving average.

Shares of **Insulet (PODD)** gapped up at the open and rose as much as 11.6% to a session high of 161.59 on the stock market today. Shares ended trading at 159.99, up 10.5%. Insulet stock had faced some short-term resistance at 158.11. The move on Wednesday offers an early entry for aggressive investors ahead of a conventional buy point at 169.08.

Insulet makes insulin pumps for diabetes treatment, a growing market due to the increasing number of diabetes patients worldwide. In the third quarter, Insulet delivered “a big revenue beat and guidance raise,” UBS analyst Matthew Taylor said.

“Trends in the quarter remained encouraging as Insulet discussed benefits from market access, the pharmacy channel, outside U.S. direct sales and patients starting on DASH,” he said. DASH is a management system that hooks up with Insulet’s insulin pumps.

Insulet Stock Gaps Up On Earnings

For the third quarter, Insulet earned 9 cents per share, on an adjusted basis. That easily beat the average estimate of analysts polled by Zacks Investment research for Insulet

earnings of 3 cents per share, which would have matched the year-earlier period.

Revenue also jumped 27% to \$192.1 million, topping estimates for \$179 million. That was better than the diabetes treatment player’s own prior outlook for \$174 million to \$181 million in third-quarter sales.

For the year, the company now expects \$722 million to \$733 million in sales, which would mark a 28%-29% rise year over year. That’s well above analysts’ forecast for \$710 million in full-year sales. Of that, the best growth is expected to come from insulin pump sales abroad.

Growing Market In Diabetes Treatment

Insulet is benefiting from an increasing number of patients whose bodies don’t make insulin or those who are now resistant to it. Insulin is a hormone that helps the body control a type of blood sugar called glucose. Spikes in glucose can be dangerous for diabetics.

There are two types of diabetes. Type 1 typically presents in childhood and is due to a genetic defect. These patients need insulin to survive. Type 2 is usually diagnosed in adulthood. These patients can worsen to the point they also need insulin.

Insulin pumps are more common in type 1 diabetes treatment because parents can struggle to give their diabetic children multiple shots each day. But Insulet “also noted increasing interest from type 2 patients, especially from Medicare, another key positive,” UBS’ Taylor said.

Still, Taylor kept his neutral rating on Insulet stock.

Pharmacy Sales Are On The Rise

The diabetes treatment company also noted an increase in U.S. patients receiving their insulin pumps from the pharmacy, Canaccord Genuity analyst Kyle Rose said in a report.

“The pharmacy channel materially reduces the operating frictions of all stakeholders, positions Insulet better in a risk-sharing environment, and potentially reduces out-of-pocket costs for patients,” he said.

Further, more patients are now using the DASH management system. This is comprised of the insulin pump — dubbed Omnipod — and a handheld device that wirelessly controls the pump. Rose noted that Insulet is giving away the handheld device.

“But management noted it expects annual revenues per patient to remain unaffected as pricing on (Omnipods) will increase slightly to recoup the costs,” he said. Insulet expects this to lower 2019 sales by \$4 million to \$6 million.

Half of all insured patients now have commercial coverage for the DASH system.

Insulet Stock Has High Ratings

Insulet stock hit a low point for the year at 80.43 in April. Since then, shares have ramped up more than 98% as of Wednesday’s close.

Canaccord’s Rose has a hold rating on Insulet stock, but raised his price target to 150 from 145.

“We expected to see a solid quarter from Insulet in the third quarter, and that is exactly what we got,” he said. “That said, we continue to think the risk/reward is balanced at these levels with shares up almost 100% year to date and trading at 11 times our 2020 sales estimate.”

Insulet stock has an Investor’s Business Daily Composite Rating of 92. This puts shares in the top 8% of all stocks in terms of key growth metrics.

Shares also have a Relative Strength Rating of 96, a reflection of the stock’s performance over the past 12 months. Insulet stock ranks in the top 4% of all stocks.

Adapted from an article published on November 6, 2019 in *Investor’s Business Daily*.

Insulet Corp

Insulet Corp (PODD) NASDAQ Medical-Products		Volume 860,300	\$171.20 -1.31
Options Yes	Market Capitalization	\$10.58 Billion	50-Day Avg Volume 771,600
Short Interest 5.7 days +5%	Shares in Float	59.3 Million	Off 52-Week High -8.6%
	Shares Outstanding	61.8 Million	52-Week Hi-Lo \$187.25-\$70.80

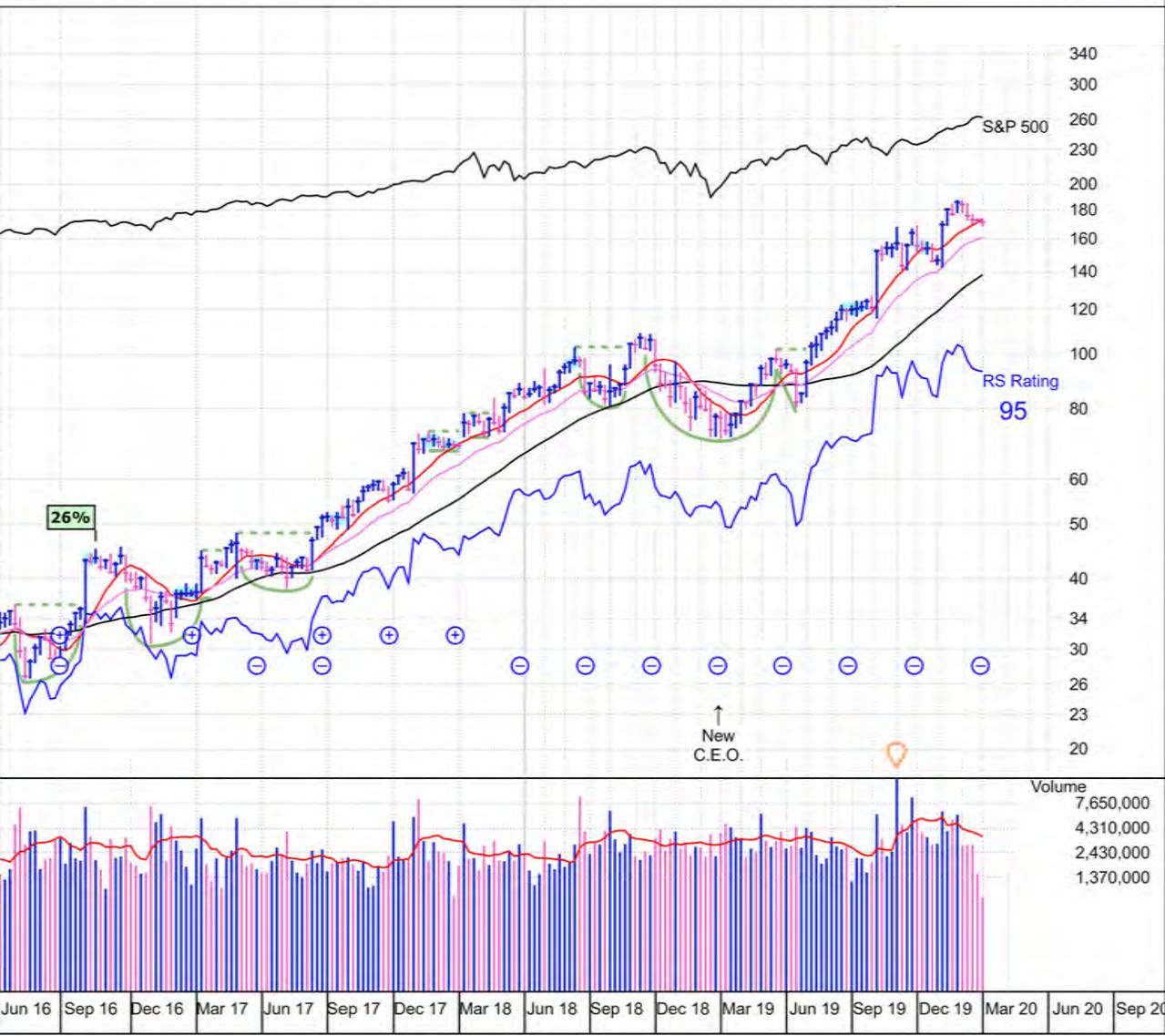
HEADQUARTERS: Massachusetts, MA PHONE: 978-600-7000 www.insulet.com

DEVELOPS WIRELESS, HANDHELD INSULIN INFUSION SYSTEMS FOR PEOPLE WITH INSULIN-DEPENDENT DIABETES.

11/05/19 Raised 2019 revenues guidance to \$722 mil to \$730 mil IPO 5/15/2007

Year (Dec)	EPS (\$)	Price(\$) High Low	EPS Rating	30	
2012	-1.08	22 16	Group RS Rating	79	
2013	-0.83▲	40 20	SMR Rating	C	
2014	-0.46▲	51 30	Acc/Dis Rating	A-	
2015	-1.08▲	46 24	Composite Rating	76	
2016	-0.48▲	45 23	Timeliness Rating	B	
2017	-0.46	72 36	Sponsorship Rating	B	
2018	0.05	108 67	EPS Growth Rate	N/A	
2019	0.22 est.	340%▼	Earnings Stability	N/A	
2020	0.74 est.	236%▼	P/E Ratio	651 (32.6 X SP)	
Yield		NONE	5-Year P/E Range	287-999	
ExDiv	N/A		Return on Equity	2%	
Book Value	X49.36		Cash Flow	\$0.32	
Inventory T/O	10.72X		Debt	279%	
U/D Vol Ratio	1.4		R&D	15.7%	
New CEO	01/2019		Alpha	0.22	
			Beta	0.98	
Top RS in Grp		Symbol	RS	EPS Rtg	No. of Funds
Novocure		NVCR	97	70	Dec-18 499
10xGenomA		TXG	95	19	Mar-19 526
TactileSysTch		TCMD	94	94	Jun-19 530
Repligen		RGEN	92	99	Sep-19 603
Conmed		CNMD	92	88	

Quarterly	EPS(\$)	% Chg	Sales(\$Mil)	% Chg
Dec-17	-0.12	N/A	130.5	+26%
Mar-18	-0.11	N/A	123.6	+22%
Jun-18	-0.03	N/A	124.3	+13%
Sep-18	0.03	#+175%	151.1	+24%
Dec-18	0.16	#+233%	164.9	+26%
Mar-19	0.07	#+164%	159.6	+29%
Jun-19	0.02	#+167%	177.1	+43%
Sep-19	▲ 0.01	-67%	192.1	+27%



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MEDICAL

The Diabetes Landscape Is Changing — Can This Stock Lead The Pack?



dexcom.com

In diabetes treatment, a patient must stick his or her finger several times per day.

Dexcom (DXCM), a behemoth among medical device makers, is trying to change that with a device called a continuous glucose monitor. These devices track glucose levels throughout the day — rather than rely on bloody finger sticks and test strips.

Glucose is a blood sugar that can reach too high in patients with diabetes, leading to cardiovascular disease, blindness, kidney failure or nerve degeneration. Too low, and patients can lose consciousness. Diabetics use insulin, a hormone, to help control these levels.

A slew of medical device companies including Dexcom, **Abbott Laboratories (ABT)** and **Medtronic (MDT)** are aiming to tap the market with continuous glucose monitors. Today, they're used in a small number of diabetes treatment cases. But Dexcom hopes to change that with a new device.

"This is a patient experience unlike anything we've ever done before," Chief Executive Kevin Sayer said on the company's earnings conference call in November. "The features we put in that system (called G6) make it very, very desirable."

What Are Continuous Glucose Monitors?

Sayer was referencing Dexcom's G6 continuous glucose monitor. Last year, the Food and Drug Administration cleared a version of the G6 system that doesn't require finger sticks.

Historically, diabetes treatment required patients to prick their fingers multiple times per day. A device then reads the blood for glucose levels. This helps diabetics determine whether they need more or less insulin to keep their glucose in line with normal levels.

Continuous glucose monitors aim to provide real-time data in diabetes treatment. A patient attaches the device to his or her abdomen or upper buttocks. Some devices can be attached to the arm. The patient can monitor the results via a smart device like a watch or phone.

Dexcom says only half of 415 million diabetics worldwide are diagnosed. Only 6% of diabetic patients across the globe live a life free of diabetes-related complications, Dexcom said in a December report.

"Diabetes management is a constant balancing act," the company said during its analyst day in December, estimating that "70% of the time, patients are outside healthy range (of glucose levels)."

Analysts Bullish On Pipeline

Dexcom offers a slew of continuous glucose monitors. Its newest is the G6. But analysts are bullish on its pipeline. The medical device company is teamed up with pharma giants including **Eli Lilly (LLY)** and **Novo Nordisk (NVO)** in diabetes treatment.

"We remain excited about the pipeline," Piper Jaffray analyst J.P. McKim said in a January note. In about two years, Dexcom and Verily Life Sciences, a subsidiary of **Alphabet (GOOGL)**, expect to launch the G7. They hope the device is thinner, less costly and has a wear time of 14-15 days.

Plus, it requires no finger sticks — which many see as key for improving diabetes treatment.

Expanding Diabetes Treatment Market

The U.S. market has about 3.2 million patients in the core area Dexcom targets — intensive cases of type 2 diabetes. But Dexcom imagines it can expand that. By 2023, the firm expects \$2 billion to \$2.5 billion in annual revenue, up from an estimated \$975 million in 2018.

To achieve its lofty target, Dexcom expects to boost the number of patients using its continuous glucose monitors. In December, Dexcom highlighted 45 million potential patients in hospitals, with gestational diabetes or non-intensive type 2 diabetes.

Plus, the firm noted it could expand to 84 million pre-diabetes patients in need of monitoring.

Dexcom also is pushing for insurers to cover its devices as a pharmacy benefit. Doing so would make it easier for patients to access Dexcom's continuous glucose monitors.

But, to make this happen, Dexcom Chief Financial Officer Quentin Blackford acknowledged that the company has had to make some price concessions. The amount of money Dexcom received per patient slipped in the third quarter. However, the firm hopes to ultimately reach more people.

"I think what is becoming apparent to us is that there are certainly some payers who are not going to move into the pharmacy channel," he said on the earnings conference call in November. "So we know that we're not going to go to 100% over time, but we do expect it will continue to uptick and improve beyond the 40% that we see today."

Adapted from an article published on February 8, 2019 in *Investor's Business Daily*.

Dexcom Inc

Dexcom Inc (DXCM) NASDAQ Medical-Systems/Equip

Volume 981,600 \$218.74 +0.63

Options Yes
Short Interest 4.9 days -7%

Market Capitalization \$20.02 Billion
Shares in Float 89.7 Million
Shares Outstanding 91.5 Million

50-Day Avg Volume 1,032,100
Off 52-Week High -5.7%
52-Week Hi-Lo \$232.00-\$107.44

HEADQUARTERS: San Diego, CA

PHONE: 858-200-0200

www.dexcom.com

DEVELOPS CONTINUOUS GLUCOSE MONITORING SYSTEMS FOR AMBULATOR Y USE BY PATIENTS WITH DIABETES

11/06/19 Raised 2019 revenues guidance to \$1.425 bil to \$1.450 bill

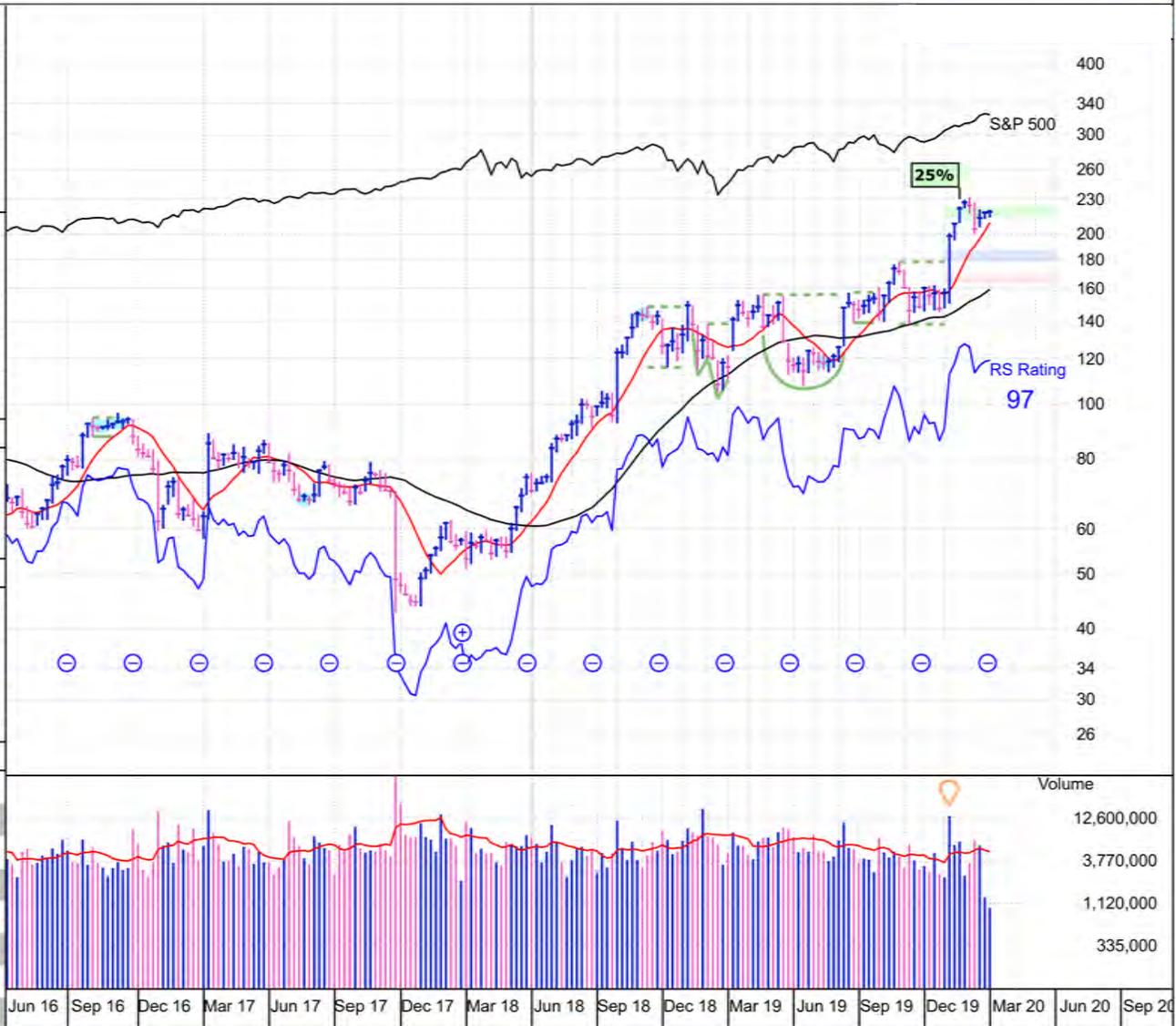
IPO 4/14/2005

Year (Dec)	EPS (\$)	Price(\$) High Low	EPS Rating	
2012	-0.81 ▲	15 8	77	Group RS Rating 75
2013	-0.42	35 13	C	SMR Rating C
2014	-0.31	58 28	B	Acc/Dis Rating B
2015	-0.26	103 53	95	Composite Rating 95
2016	-0.78	96 47	A	Timeliness Rating A
2017	-0.49	88 42	B	Sponsorship Rating B
2018	0.36	152 51	N/A	EPS Growth Rate N/A
2019	1.38 est.	283%▲	N/A	Earnings Stability N/A
2020	1.82 est.	32%▲	177 (8.9 X SP)	P/E Ratio 177 (8.9 X SP)
			113-435	5-Year P/E Range 113-435

Yield	NONE	Return on Equity	6%
ExDiv	N/A	Cash Flow	\$0.68
Book Value	X29.83	Debt 152%	Ownership
Inventory T/O	17.80X	R&D 40.5%	Mgmt 2%
U/D Vol Ratio	1.6	Alpha 0.16	Banks 1%
New CEO	01/2015	Beta 1.12	Funds 68%

Top RS in Grp	Symbol	RS	EPS Rtg	No. of Funds
InMode	INMD	99	99	Dec-18 919
Nevro Corp	NVRO	98	4	Mar-19 1067
Cutera	CUTR	97	73	Jun-19 1126
ShockwaveMed	SWAV	90	18	Sep-19 1149
Bruker	BRKR	88	95	

Quarterly	EPS(\$)	% Chg	Sales(\$Mil)	% Chg
Dec-17	0.14	#+256%	221.0	+29%
Mar-18	-0.30	N/A	184.4	+30%
Jun-18	-0.07	N/A	242.5	+42%
Sep-18	0.18	+999%	266.7	+44%
Dec-18	0.54	+286%	338.0	+53%
Mar-19	-0.05	N/A	280.5	+52%
Jun-19	0.08	#+214%	336.4	+39%
Sep-19	0.65	+261%	396.3	+49%



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Can This Medical Stock Market Leader Still Cruise Higher?



edwards.com

Edwards Lifesciences (EW) got its first look inside IBD 50 Stocks To Watch back on Nov. 21. At the time, the medical play finished the day at 148.22.

Since then, the stock has rallied as much as 54%; the S&P 500, trading near 2986 on Wednesday, is up 12.7% over the same period.

For students of the CAN SLIM investing method, Edwards' recent track record poses as simply another innovative and leading company that rewards those who concentrate on the strongest growers in the U.S. stock market.

When was the right time to buy Edwards Lifesciences stock over this nearly 10-month time period? No doubt, the stock's action has been choppy. Let's first consider the market conditions over this time frame.

In December, the large cap fell along with the general market. On Nov. 20, one day before its first showcase in the IBD 50 Stocks To Watch column, IBD downgraded the current outlook in stocks to "market in correction." This meant that it was not a safe time to buy stocks. Period.

The major indexes gyrated in December. A follow-through on Nov. 28 did not result in a meaningful rally.

The Right Time To Buy

The first real tradeable rally finally arrived when the S&P 500 delivered a follow-through on Jan. 4, rising 4.3%. The NYSE saw higher volume vs. the prior session. The bullish combination of a big gain in a major index in heavier turnover suggested that mutual funds, banks, pensions, hedge funds and college endowments were hungry again for equities.

Investors certainly showed an appetite for Edwards Lifesciences. On Jan. 18, the stock made a clean breakout, rising past an early buy point of 167.29 within its unorthodox cup-style base. But the base showed plenty of merits. They included a reasonable correction of 22% from the high of 175 to the low of 136.44. The right side of the base featured zero down weeks in heavy turnover.

Finally, the breakout during the week ended Jan. 18 saw very strong volume, 55% above its 10-week average.

After that breakout, Edwards shares ran up 18%, then gave back all of that gain.

Such volatile action invoked a key sell rule: Don't let a hearty profit turn to zilch. Take gains and always be ready to buy back.

Two New Entry Points Emerge

A new breakout attempt arrived in late July. By then, Edwards formed a solid cup with handle. This pattern showed an even milder drop from head to toe of just 16.3%. This smaller correction hinted that institutions were less willing to dump shares.

On July 22-23, the stock surpassed the 195.10 proper buy point in meager trade. The real move came on July 24. Shares made a breakaway gap, surging almost 10% in the third heaviest turnover of the year after reporting good second-quarter results. Earnings grew just 11% to

\$1.38 a share, but accelerated from an 8% increase in Q1. Revenue rose 15% to \$1.09 billion, the biggest increase in six quarters.

This week, the stock made a brilliant test of the 50-day moving average near 208. The first and second pullbacks to the 50-day or 10-week line offer a follow-on buy point in top-notch stocks when the market itself is in a confirmed uptrend. So Edwards shares are now in a buy area.

The Street sees earnings in the leader in transcatheter-based technology to replace aortic valves lifting 14% this year to \$5.35 a share this year and another 12% in 2020 to \$5.98. Edwards Lifesciences has 208 million shares outstanding and a market value topping \$45 billion.

EW Crushed Third-Quarter Estimates—And Popped

Edwards Lifesciences stock popped after the IBD 50 stock topped third-quarter sales and earnings estimates, and raised its 2019 profit outlook.

In extended trading on the stock market, shares of Edwards Lifesciences (EW) jumped 5.2%, near 237.

For the third quarter ended Sept. 30, adjusted Edwards Lifesciences earnings of \$1.41 per share rose 32%. That beat the forecast of analysts polled by Zacks Investment Research for \$1.22 a share. Sales grew nearly 21% to \$1.09 billion, beating estimates for \$1.04 billion.

Adapted from articles published on September 11 and October 23, 2019 in *Investor's Business Daily*.

Edwards Lifesciences

Edwards Lifesciences (EW) NYSE Medical-Products

Options Yes
Short Interest 1.6 days -8%

Market Capitalization \$48.64 Billion
Shares in Float 204.4 Million
Shares Outstanding 208.6 Million

Volume 1,415,700 \$233.23 -1.38
50-Day Avg Volume 1,202,200
Off 52-Week High -5.8%
52-Week Hi-Lo \$247.64-\$140.86

HEADQUARTERS: Irvine, CA

PHONE: 949-250-2500

www.edwards.com

DEVELOPS PRODUCTS TO TREAT CARDIOVASCULAR DISEASE, INCLUDING HEART VALVE AND PERIPHERAL VASCULAR DISORDERS.

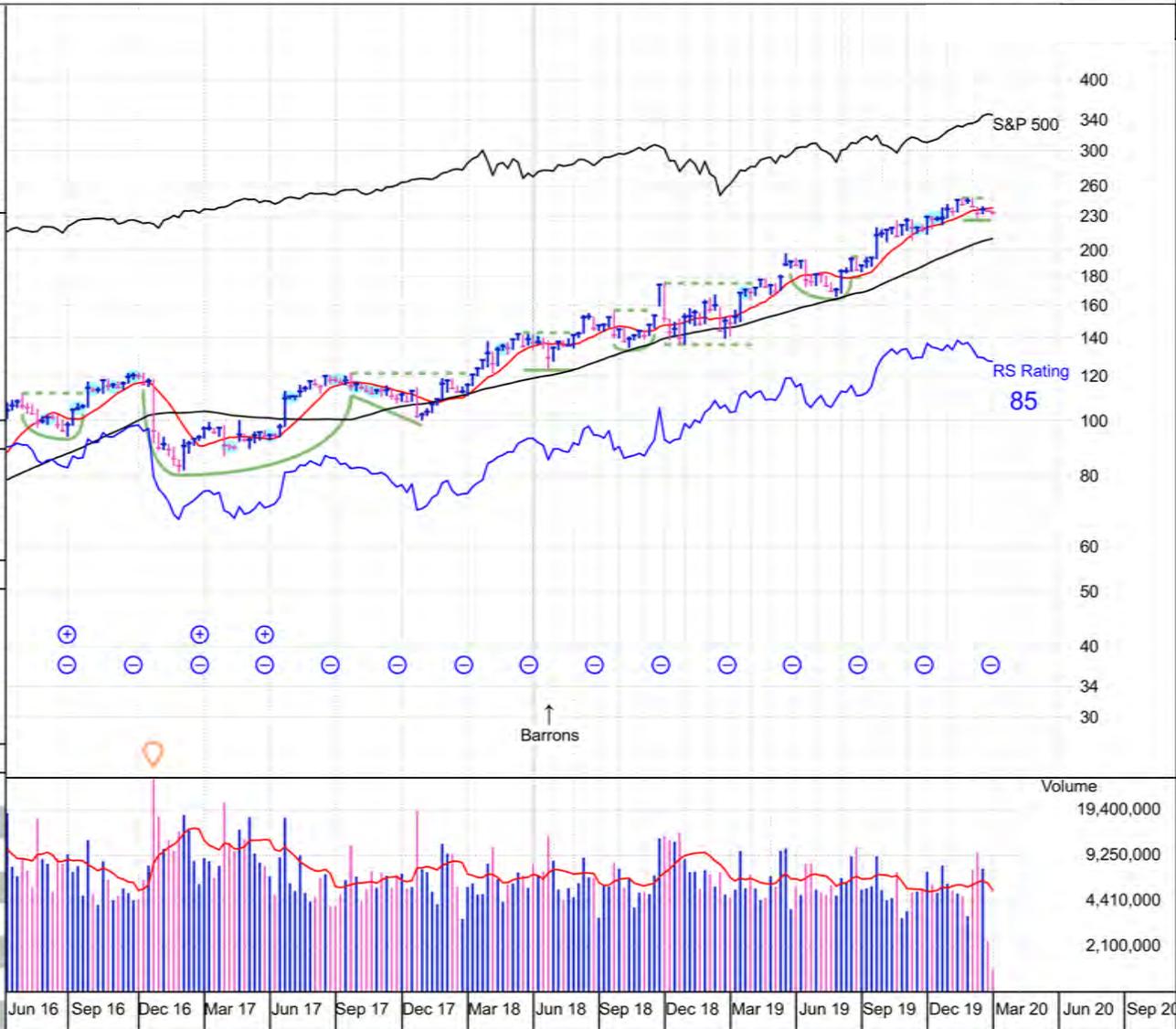
10/23/19 Raised 2019 adjusted earnings guidance to \$5.50 to \$5.65 per share

Year (Dec)	EPS (\$)	Price(\$) High Low	EPS Rating	97
2012	1.35	55 33	Group RS Rating	79
2013	1.62	47 30	SMR Rating	A
2014	1.75	67 31	Acc/Dis Rating	C-
2015	2.32	83 61	Composite Rating	99
2016	2.90	121 72	Timeliness Rating	A
2017	3.80	121 86	Sponsorship Rating	B
2018	4.70	175 110	EPS Growth Rate	26%
2019	5.60	est. 19%▲	Earnings Stability	3
2020	6.16	est. 10%▼	P/E Ratio	44 (2.2 X SP)
			5-Year P/E Range	26-47
			Return on Equity	33%
			Cash Flow	\$5.20

Yield	NONE	Debt	19%	Ownership	
ExDiv	N/A	R&D	16.7%	Mgmt	2%
Book Value	X15.44	Alpha	0.06	Banks	1%
Inventory T/O	6.41X	Beta	1.15	Funds	49%
U/D Vol Ratio	1.0				
New CEO	N/A				

Top RS in Grp	Symbol	RS	EPS Rtg	No. of Funds
Novocure	NVCR	97	70	Dec-18 1701
Insulet	PODD	95	30	Mar-19 1820
10xGenomA	TXG	95	19	Jun-19 1903
TactileSysTch	TCMD	94	94	Sep-19 1998
Repligen	RGEN	92	99	

Quarterly	EPS(\$)	% Chg	Sales(\$Mil)	% Chg
Dec-17	0.94	+25%	888.5	+16%
Mar-18	1.22	+30%	894.8	+1%
Jun-18	1.24	+15%	943.7	+12%
Sep-18	1.07	+27%	906.6	+10%
Dec-18	1.17	+24%	977.7	+10%
Mar-19	1.32	+8%	993.0	+11%
Jun-19	1.38	+11%	1086.9	+15%
Sep-19	1.41	+32%	1094.0	+21%



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This Gold Stock Is Shining Brightly



Billion Photos/Shutterstock.com

During the gold rush years you could often make more selling the tools than doing the mining itself. But with the price of the precious metal rising, along with that of Kirkland Lake Gold stock, there are signs this gold digger may be worth the price of admission.

Kirkland Lake Gold's (KL) stellar performance has seen it shoot to the top of not just the Mining-Gold/Silver/Gems Industry Group, but the summit of the prestigious IBD 50 list. Key to its performance has been strong earnings growth. Earnings shot 133% a share over the past three years, well above the 25% benchmark for CAN SLIM stocks.

The rising price of gold has been important to the Canadian mining firm's success. But operational excellence has been another crucial component to the earnings growth. There's also the firm's skyrocketing gold stock valuation, according to M Partners analyst Bereket Berhe.

"They have been super efficient and I think their valuation reflects that," Berhe told Investor's Business Daily. "They have been getting really favorable multiples for some time due to their production efficiency, and also due to them having really good assets."

Berhe believes Chief Executive Tony Makuch and his team deserve credit for how tightly they have been running their ship.

"Nobody is going to question their performance so far," he said. "They've been doing great, are the lowest cash cost producer and have managed their investments really well. There are no questions about the management."

There's Gold In Them Thar Hills

Kirkland Lake Gold explores and develops gold properties. It owns two high-grade, low-cost operations in Northern Ontario and Australia. The modern Kirkland Lake was formed when it acquired Australia's Newmarket Gold for \$764 million in 2016. The firm's market cap now stands at \$9.6 billion.

In total it operates four underground mines. Its Macassa mine, Holt mine, and Taylor mine are in Ontario. The jewel in the golden crown is the Fosterville mine in Victoria, Australia. In addition Kirkland Lake owns three milling facilities in Canada and Australia.

Rising production is just one key to the high valuation of Kirkland Lake Gold stock. Gold production shot up from 155,000 ounces in 2015 to 724,000 ounces in 2018. Production is seen reaching 1 million ounces this year, and the company sees this holding steady at around this level until 2021.

Revenue has also exploded, going from \$258 million in 2015 to \$916 million in 2018. Analysts expect this to rise to \$1.3 billion in 2019, according to Zacks Investment Research.

CAN SLIM Principle Key To Future Growth

Given its product is as old as the hills, some may think the N in CAN SLIM does not apply. However it does, albeit as a variation on the new product, service, management or price high theme. Berhe believes it is important Kirkland Lake will have to snap up new assets to ensure the valuation of its gold stock does not stagnate.

"In terms of growth, unless they acquire some other assets, then maybe even switch their whole complex assets for something

else, you just have to start to wonder if the run up has been too fast and too high, and that there'll be a pullback of some sort up here," he said.

He believes the firm is in a solid position if they are able to find a suitable acquisition target.

"They are producing quite a bit of free cash flow going forward. I think they can acquire an asset or two that are high grade gold projects and low cash cost producers," he said "If they issue some shares to acquire these properties then I don't think the market will frown on that."

Berhe rates the gold stock as a hold with a 41.15 target, though this valuation assumes a valuation of the mineral at \$1,400 an ounce. Gold currently sits around the \$1,500 mark.

Adapted from an article published on August 26, 2019 in *Investor's Business Daily*.

Kirkland Lake Gold Ltd

Kirkland Lake Gold Ltd (KL) NYSE Mining-Gold/Silver/Gems

Volume 2,102,300 \$44.06 +0.71

Options Yes
Short Interest 3.8 days -2%

Market Capitalization \$9260.9 Million
Shares in Float 201.8 Million
Shares Outstanding 210.2 Million

50-Day Avg Volume 1,561,000
Off 52-Week High -13.7%
52-Week Hi-Lo \$51.08-\$24.69

HEADQUARTERS: Toronto, ON

PHONE: 416-840-7884

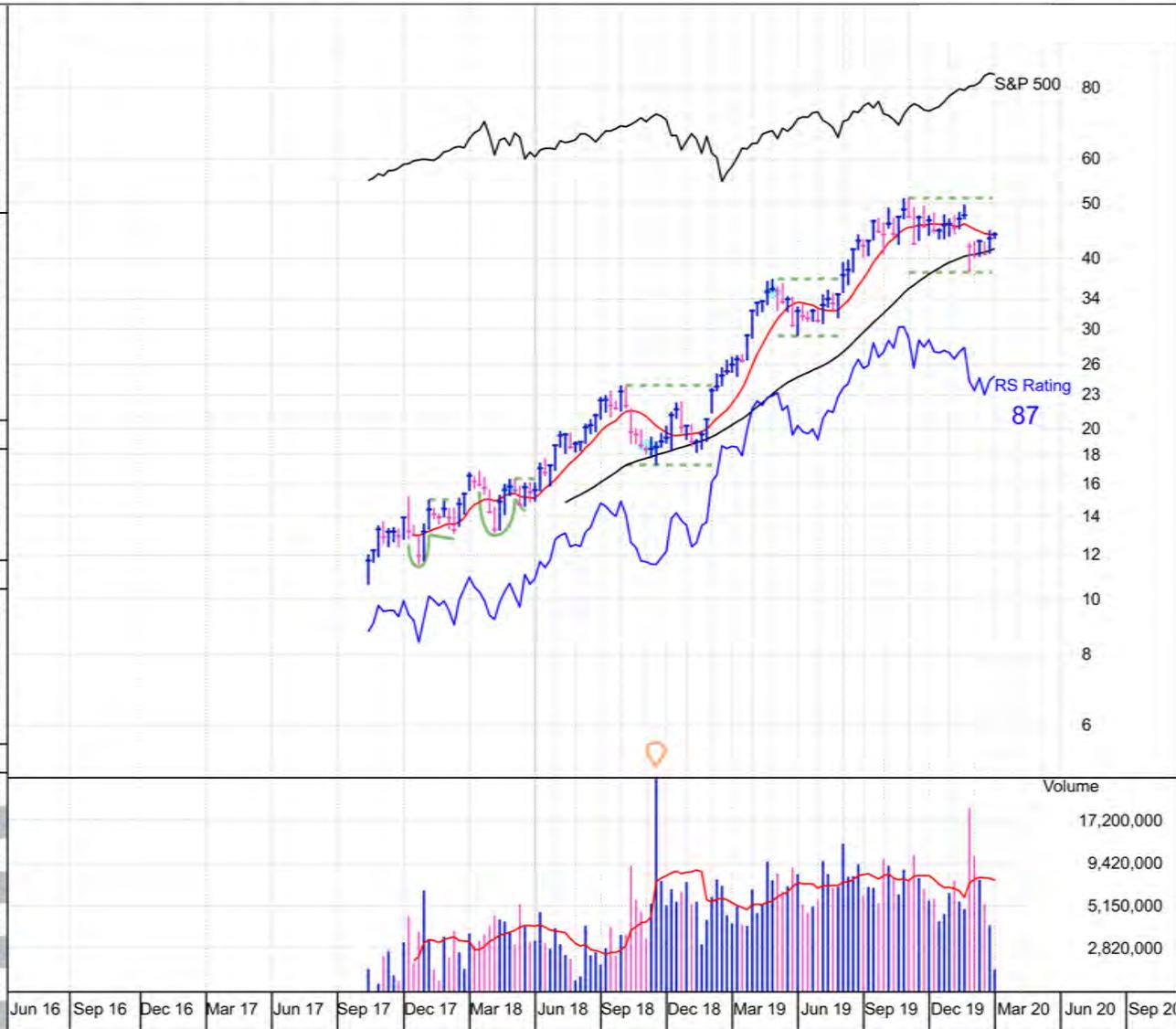
www.klgold.com

CANADIAN FIRM ENGAGED IN THE PROVISION OF MINING AND MINERAL EXPLORATION IN CANADA AND AUSTRALIA.

03/25/19 Named Jeffrey Parr interim Chrmn, effective May 7, 2019, replacing Eric Sprott who will retire

Year (Dec)	EPS (C\$)	Price(\$) High Low	EPS Rating	99
2012			Group RS Rating	87
2013			SMR Rating	A
2014			Acc/Dis Rating	C
2015	0.08		Composite Rating	98
2016	0.32		Timeliness Rating	A
2017	0.75	15 10	Sponsorship Rating	N/A
2018	1.35	26 13	EPS Growth Rate	166%
2019	2.66	est. 97%▲	Earnings Stability	56
2020	2.65	est. 0%▼	P/E Ratio	18 (0.9 X SP)
			5-Year P/E Range	13-25
			Return on Equity	24%
			Cash Flow	\$2.01
Yield		0.5%	Debt	1%
ExDiv		12/30/19	R&D	7.3%
Book Value		X7.31	Alpha	0.33
Inventory T/O		22.47X	Beta	-0.92
U/D Vol Ratio		1.1		
New CEO		09/2016		
Top RS in Grp	Symbol	RS	EPS Rtg	No. of Funds
Impala Platnm	IMPUY	99	62	Dec-18 456
SibanyeGold	SBGL	99	4	Mar-19 530
FirstMajstic	AG	97	68	Jun-19 791
PanAmSlvr	PAAS	97	64	Sep-19 886
SSR Mining	SSRM	95	74	

Quarterly	EPS(C\$)	% Chg	Sales(C\$Mil)	% Chg
Dec-17	0.31	+182%	212.4	+62%
Mar-18	0.25	+213%	198.2	+18%
Jun-18	0.30	+58%	214.7	+13%
Sep-18	0.29	+71%	222.7	+26%
Dec-18	0.52	+68%	280.3	+32%
Mar-19	0.53	+112%	304.9	+54%
Jun-19	0.50	+67%	281.3	+31%
Sep-19	0.84	+190%	381.4	+71%



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12.31.2019

Marijuana Stocks Are Tumbling — Are Any Good Buys Right Now?



intoit/Shutterstock.com

Marijuana stocks received enormous hype after legal recreational sales took hold in Canada and sales became legal in some form or another across more than half of the U.S. Producers in Canada listed on the big U.S. exchanges, while their U.S. counterparts sought listings in Canada. But marijuana stocks in 2019 plunged to lows amid weak results. Are any marijuana stocks on major U.S. exchanges a good buy now?

Overall, the marijuana industry is showing little profit growth as weed producers burn through money to expand. Sales growth, while still large thanks to legalization, has disappointed investors with lofty expectations. An under-supply, and more recently concerns of an oversupply, have hurt business. Aggressive expansion has been followed by layoffs, regulatory run-ins and vows to pull back and focus on profit.

From **Aurora Cannabis (ACB)** to **Canopy Growth (GGC)** to **Tilray (TLRY)**, marijuana stocks are hitting 52-week or record lows.

Some analysts and executives argue that the cannabis industry, and any stocks related to it, still has long-term potential for growth. But investors should analyze marijuana stocks like any other investment. Here's a look at how the biggest marijuana stocks stack up, by IBD metrics.

Marijuana Stocks On U.S. Exchanges

IBD only has full ratings for marijuana companies in Canada trading on the big U.S. exchanges. As of November, those marijuana stocks were **Cronos Group (CRON)**, **Canopy Growth** stock, **Tilray** stock, **Aurora Cannabis** stock, **Aphria (APHA)**, **CannTrust (CTST)**, **Hexo (HEXO)** and **Organigram (OGI)**. **Sundial Growers (SNDL)** went public at the beginning of August.

MarketSmith also has limited ratings data for some U.S.-based cannabis companies, like **Acreage Holdings (ACRGF)** and **Curaleaf (CURLF)**. Those marijuana stocks trade over the counter and in Canada.

IBD also tracks stocks related to the marijuana industry, like **Innovative Industrial Properties (IIPR)**, a cannabis-focused real estate investment trust. Innovative Industrial Properties stock currently gets the highest rating of the companies tracked.

Trends Influencing Marijuana Stocks

The bull case laid out for the industry is that there's still potential to take business away from the alcohol and pharmaceutical industries. The marijuana industry also points to the prospect of bigger deals with beverage companies, tobacco companies and nations abroad that are relaxing their marijuana laws.

The legalization of hemp in the U.S. has also led more of those companies — including **Tilray** and **Canopy Growth** — to seek arrangements to make hemp in the U.S. or to sell hemp-derived CBD products via mainstream retailers. Such moves could help boost sales and destigmatize cannabis.

Investors, however, haven't been convinced. This year's sell-off has hacked away at those market valuations, as profits remain scarce and choke points on the supply chain — whether at grow facilities or provincial distribution centers or pot shops themselves — hit sales. Bigger questions have surfaced over how much demand is

actually there, how much financing is still available, and whether a shakeout is on the horizon.

An under-supply of cannabis hurt sales shortly after pot went legal in Canada. As cultivation picked up, the provinces that receive pot producers' weed — en route to retail stores — found themselves amply stocked, and thus bought less. Cannabis-industry executives have said Canada has been too slow to license stores to sell their product, which has also hurt the top line.

As for U.S. CBD sales, **Tilray** and **Canopy**, in November, said that many U.S. retailers were waiting for clearer guidance from the FDA before agreeing to sell CBD. The FDA, in November, didn't help, issuing an announcement saying that it "cannot conclude that CBD is generally recognized as safe."

IIPR: The Outlier

Innovative Industrial Properties stock began trading in 2016 and has run higher since. It has a 52 Composite Rating and an EPS rating of 76. Actual revenue is tiny, but growing in the triple digits. Earnings leapt 126% in the latest quarter.

Innovative Industrial Properties stock in June broke out from a 91.37 buy point. It had been well extended from that late-stage base entry.

After falling during the summer, shares tested support at their 50-day line in November. They dipped below that level through much of December. But on Dec. 31, they tested the line once again.

Adapted from an article published on December 31, 2019 in *Investor's Business Daily*.

Innovative Industrial Properties

Innovative Ind Prop (IIPR) NYSE Finance-Property REIT		Volume 843,400	\$75.75 +0.41
		Market Capitalization	\$897.9 Million
Options Yes		Shares in Float	11.1 Million
Short Interest 7.8 days +3%		Shares Outstanding	11.9 Million
		50-Day Avg Volume	413,900
		Off 52-Week High	-45.7%
		52-Week Hi-Lo	\$139.53-\$44.40

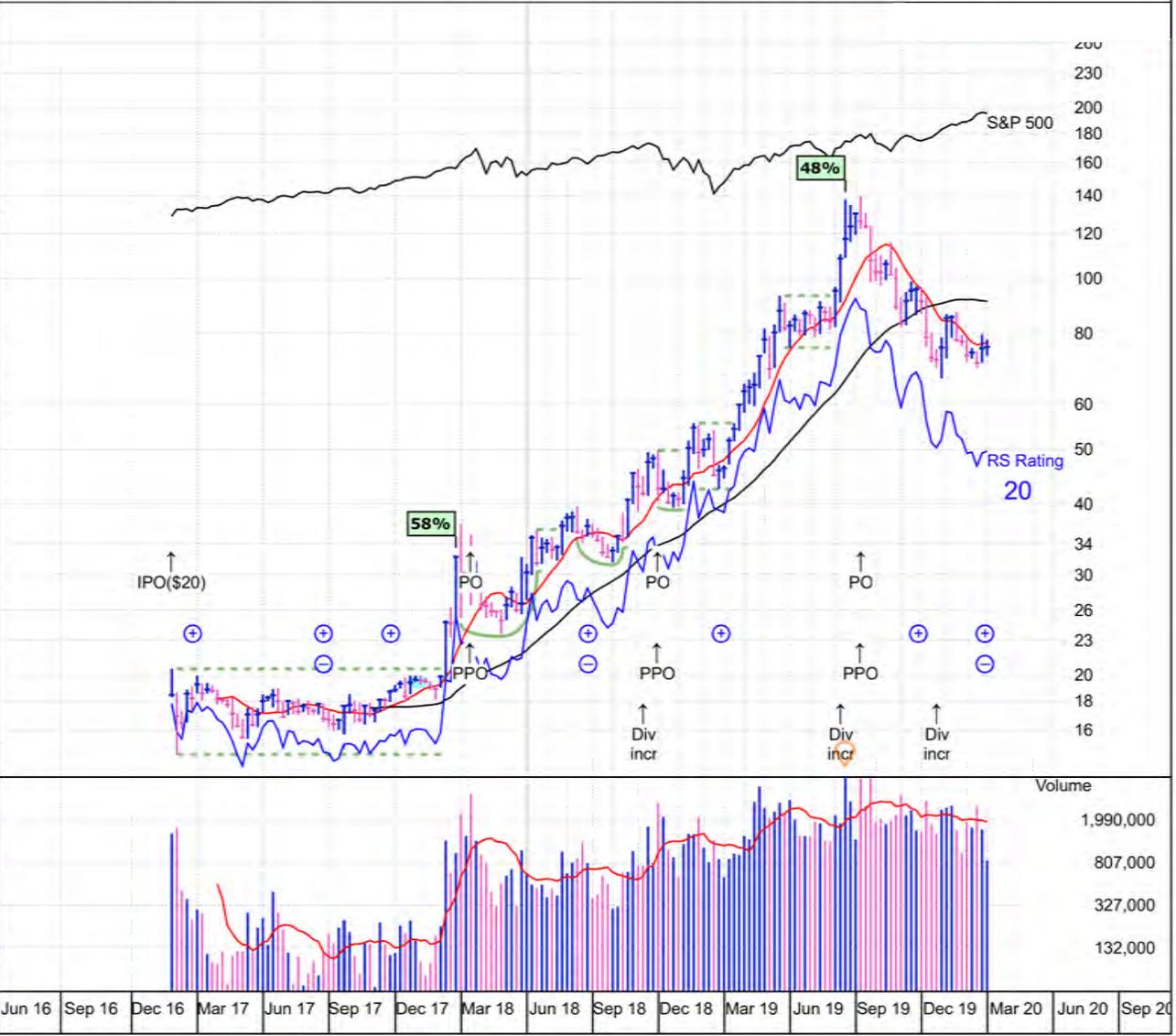
HEADQUARTERS: San Diego, CA PHONE: 858-997-3332 www.innovativeindustrialproperties.com

REIT TARGETS ACQUISITION OF INDUSTRIAL REAL ESTATE ASSETS THAT ARE USED FOR GROWING MEDICAL-USE CANNABIS

12/23/19 Acquired 2 properties of about 105,000 sq ft of ind space in PA/ND from a unit of GR Co, for about \$24.1 mil IPO 12/01/2016

Year (Dec)	FFO (\$)	Price(\$) High Low	EPS Rating	
2012			Group RS Rating	76
2013			SMR Rating	34
2014			Acc/Dis Rating	A
2015			Composite Rating	B-
2016	20	14	Timeliness Rating	52
2017	0.67	32	Sponsorship Rating	C
2018	1.30	55	EPS Growth Rate	D
2019	2.87	est. 121%▲	Earnings Stability	N/A
2020	5.46	est. 90%▲	P/E Ratio	N/A
			5-Year P/E Range	31 (1.6 X SP)
			Return on Equity	27-199
			Cash Flow	4%
			Debt	\$0.89
			R&D	0%
			Alpha	0.11
			Beta	1.35
			Ownership	
			Mgmt	5%
			Banks	0%
			Funds	39%

Quarterly	EPS(\$)	% Chg	Sales(\$Mil)	% Chg
Dec-17	0.23	N/A	2.3	+613%
Mar-18	0.23	+130%	2.8	+114%
Jun-18	0.31	+138%	3.3	+157%
Sep-18	0.38	+81%	3.9	+152%
Dec-18	0.38	+65%	4.8	+110%
Mar-19	0.54	+135%	6.8	+147%
Jun-19	0.59	+90%	8.6	+160%
Sep-19	0.86	+126%	11.6	+194%



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Used Cars Aren't Beaters Any More — And Carvana Stock Is Sizzling



Jonathan Weiss/Shutterstock.com

Used cars today are often nothing like the traditional image of used vehicles as beat-up old cars. The same holds true for used car dealers. From the Carvana stock to CarMax and Lithia Motors, investors today have means to invest in a used car market that has gathered momentum, even as demand for new cars continues to decline.

CarMax (KMX), Carvana (CVNA), Lithia Motors (LAD), Group 1 Automotive (GPI) and Sonic Automotive (SAH) are the leaders in this new era of used cars.

Indeed, the nearly new vehicles coming off lease and filling dealer lots offer compelling buys for consumers. Think SUVs, crossovers and pickup trucks, chock-full of wireless connectivity, touch screen dashboards, backup cameras and other high-tech features. Combine that with sales prices often \$10,000 or more below the same car bought new.

Used Cars Show Market Strength

CarMax, king of used cars, in June revealed quarterly same-store sales at the highest level in five years. In July, AutoNation, Lithia Motor, Group 1 Auto and Sonic Auto, which all sell both new and used cars, also reported strong gains in their used segments.

Even nonpublic dealerships, such as Berkshire Hathaway Automotive, a subsidiary of Warren Buffett's **Berkshire Hathaway (BRKB)**, report rising pre-owned sales. Parts

and services departments at auto dealerships benefit, in turn, because older cars typically require more parts and services.

"That's where the strength of the overall auto market comes right now," said Zo Rahim, manager of economic and industry insights at Cox Automotive. "You've seen that with a lot of the publicly traded dealer groups — they're more and more focused on their used sales."

New cars are sexier, no doubt. But the used retail market for cars is far larger. Cox estimates 39.2 million used transactions in the U.S. this year vs. 16.8 million for new. The used market also has higher margins and is less cyclical.

Saving \$16,000 Per Vehicle Purchase In Q1

Still, an increase in used vehicle sales helps to offset a decline where it hurts: new vehicle sales.

New car sales, which ultimately drive the supply of used cars in the market, peaked at 17.6 million in 2016. They have been falling ever since. Retail or dealer-to-consumer new car sales are set to drop an additional 4% in 2019, according to Cox.

In contrast, used vehicles sold by dealers are on track to increase 1.5% this year. A sharp rise in new-car prices has forced many consumers to lower expectations and turn the used car market.

In Q1, car shoppers saved roughly \$16,000 on average buying used vs. new. Used prices are also on the rise, according to car site Edmunds. In addition, used car dealerships could face supply constraints as demand holds steady, but the number of vehicles coming off leases approaches a peak, Rahim cautioned.

Carvana Stock: E-Sales And The Auto Trade

CarMax's online sales options show the auto retail industry being disrupted by online vehicles marketplaces, such as

Cars.com (CARS). Online used car platform **Carvana (CVNA)** boldly aims to cut out auto dealerships entirely and pass on lower vehicle costs as savings for customers.

Cox Automotive's Rahim says Carvana "lit a fire under the industry," trailblazing the use of technology and smartphones.

As a result, Carvana has grown at a furious clip in the six years since its launch. Revenue went from \$42 million reported in 2014 to nearly \$2 billion last year, though the company's yet to turn a profit. But gross profit per unit or GPU, a closely watched profitability metric, hit \$2,090 in 2018, more than doubling in two years.

Carvana stock IPO'd at 15 in 2017 and now trades near 80. Shares have more than doubled year to date alone, as the market digests 18 straight quarters of triple-digit sales growth. The IPO stock on Wednesday traded up 30% in August, and is extended from an Aug. 9 earnings breakout past 76.95.

Carvana brought the e-commerce revolution to a skeptical car industry. Also, fun things like car vending machines and virtual tours.

"The car buying process in the past was never someone's favorite thing," Rahim said.

Yet neither he nor Guggenheim's Faghri believes that digital disrupters are really hurting established rivals.

"They're too small and the market's too fragmented to be taking share from the public dealer groups out there," Faghri said. For perspective, CarMax has a roughly 2% share of the U.S. used car market, which comprises more than 43,000 dealerships and innumerable individual sellers.

Adapted from an article published on August 29, 2019 in *Investor's Business Daily*.

Carvana Co

Carvana Co Cl A (CVNA) NYSE Retail/Wholesale-Automobile

Market Capitalization \$13.95 Bil(\$4.64 Bil)
 Shares in Float 46.3 Million
 Shares Outstanding 151.6 Mil(50.3 Mil)

Volume 2,074,100 \$92.05 -5.77
 50-Day Avg Volume 1,443,400
 Off 52-Week High -7.2%
 52-Week Hi-Lo \$99.19-\$28.77

Options Yes
 Short Interest 12.3 days +6%

HEADQUARTERS: Tempe, AZ

PHONE: 480-719-8809

www.carvana.com

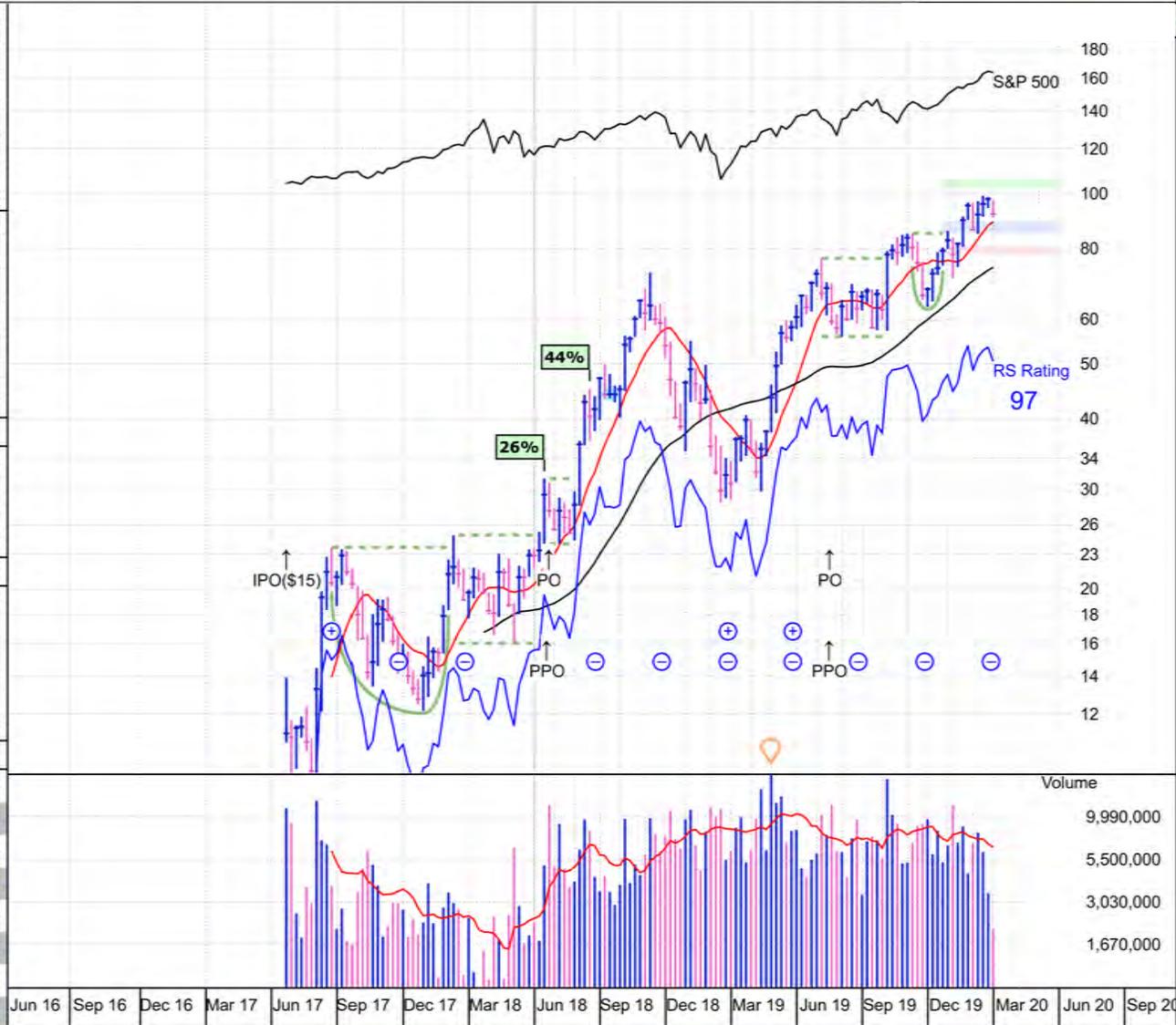
PROVIDES ECOMMERCE PLATFORM FOR BUYING USED CARS VIA CARVANA .COM.

05/22/19 To offer \$250.0 mil of 8.875% senior notes due 2023

IPO 4/28/2017

Year (Dec)	EPS (\$)	Price(\$) High Low	EPS Rating	8
2012			Group RS Rating	96
2013			SMR Rating	C
2014	-0.11		Acc/Dis Rating	B
2015	-0.27		Composite Rating	70
2016	-0.68		Timeliness Rating	C
2017	-1.22	24 8	Sponsorship Rating	C
2018	-2.24	72 16	EPS Growth Rate	N/A
2019	-2.11	est. N/A ▼	Earnings Stability	N/A
2020	-1.53	est. N/A ▲	P/E Ratio	N/A
			5-Year P/E Range	N/A
			Return on Equity	[N/A]
Yield	NONE		Cash Flow	-\$0.27
ExDiv	N/A		Debt	579%
Book Value	X190.52		R&D	N/A
Inventory T/O	6.11X		Alpha	0.27
U/D Vol Ratio	1.3		Beta	1.95
New CEO	N/A			
Top RS in Grp	Symbol	RS	EPS Rtg	No. of Funds
Lmp Auto	LMPX	99	46	Dec-18 241
SonicAuto	SAH	96	87	Mar-19 251
LithiaMotors	LAD	93	94	Jun-19 291
AsburyAut	ABG	93	87	Jun-19 291
Grp1Auto	GPI	92	91	Sep-19 338

Quarterly	EPS(\$)	% Chg	Sales(\$Mil)	% Chg
Dec-17	-0.36	N/A	265.1	+148%
Mar-18	-0.53	N/A	360.4	+127%
Jun-18	-0.41	N/A	475.3	+127%
Sep-18	-0.50	N/A	534.9	+137%
Dec-18	-0.74	N/A	584.8	+121%
Mar-19	-0.69	N/A	755.2	+110%
Jun-19	-0.58	N/A	986.2	+107%
Sep-19	-0.78	N/A	1094.9	+105%



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RETAIL

E-Commerce Giant Seeing Booming Growth



Yulia Grigoryeva/Shutterstock.com

The use of e-commerce in Latin America is relatively low compared with other developed regions, providing a big market opportunity that Argentina-based MercadoLibre (MELI) targets with a broad line of consumer and business services, as the stock tries to break out of a rare ascending base.

MercadoLibre is one of the largest providers of e-commerce services in Latin America, operating in 18 countries. The company's largest markets are Brazil, Argentina and Mexico, and it also has a presence in Colombia, Costa Rica and Ecuador, among other countries.

MercadoLibre's rise serves as one of several reasons why e-commerce now is outgrowing traditional retail in the region. Consumers and businesses increasingly are shifting to buying and selling products online. Overall, Latin America has about 400 million internet users.

The company provides an online marketplace for buyers and sellers and hosts platforms where users can create online stores. MercadoLibre also handles shipping, money transfers, lending and online payments, as part of its financial technology businesses. Other revenue streams include advertising and classifieds.

"We are transforming from a pure third-party marketplace to building the leading e-commerce ecosystem and digital financial services platform in Latin America," said Pedro

Arnt, the company's chief financial officer, in written comments made after reporting first-quarter results on May 2. "The region is rapidly accelerating toward digital payments and we have a huge opportunity ahead of us to make a real difference to the constituencies we serve."

MercadoLibre Stock Soars

MercadoLibre stock soared 20% on its first-quarter earnings report, which smashed estimates. Revenue jumped 49% from the year-ago period to \$473.8 million, its best growth in eight quarters. It posted an adjusted profit of 13 cents per share, compared with a 29-cent loss in the year-ago period. The company ended the quarter with 280 million registered users, up 26%.

Gross merchandise volume processed through MercadoLibre platforms reached \$3.1 billion in the quarter. That was up 27% from the year-ago quarter on a foreign-exchange neutral basis.

MercadoLibre stock has an IBD Composite Rating of 89 out of a possible 99. That means it ranks high in terms of key performance metrics and technical strength.

MercadoLibre stock gapped out of a six-month consolidation with a buy point at 395.02 in late February and hasn't looked back. It gapped up again in early May, jumping past 578 after the earnings report posted.

Shares continued to climb, hitting a high of 611.96 on May 28. MercadoLibre stock then retreated somewhat but climbed back to surpass that Friday. It has maintained support at the 10-week moving average since its late-February breakout.

"We believe MercadoLibre is one of the most innovative companies in our coverage, and is a leading disrupter of e-commerce, fintech/payments, and logistics within Latin America," KeyBanc Capital Markets analyst Edward Yruma wrote in his note to clients following the earnings report.

Moving Aggressively In Financial Technology

The company moves aggressively in the financial technology market. In March, PayPal (PYPL) made a \$750 million investment in MercadoLibre. It was part of a secondary offering that raised \$2 billion.

With the proceeds, MercadoLibre said it plans to continue expanding its e-commerce platform, strengthen its logistics infrastructure, "and invest in solutions that further solidify the company's position as a powerful provider of inclusive end-to-end financial technology and payments solutions."

"Digital commerce in Latin America is experiencing tremendous growth and MercadoLibre is well-positioned for continued leadership," PayPal Chief Executive Dan Schulman said in prepared comments with the fundraising announcement.

Competition From Amazon

The equity offering comes as MercadoLibre faces more competition from Amazon.com. Amazon's growing payment ecosystem also poses a long-term threat to PayPal, analysts say.

Early this month, BTIG analyst Marvin Fong downgraded MercadoLibre to neutral, from buy. He expressed concern about the growing presence of Amazon in the region. He also worries about weakness in Brazil's economy, which shrank in the first quarter for the first time since 2016. Further, MercadoLibre faces competition in digital payments from Brazil-based PagSeguro Digital (PAGS), which held an initial public offering in January 2018 that raised \$2.3 billion.

Adapted from an article published on June 7, 2019 in *Investor's Business Daily*.

MercadoLibre Inc

Mercadolibre Inc (MELI) NASDAQ Retail-Internet

Options Yes
Short Interest 4.5 days -3%

Market Capitalization \$28.43 Billion
Shares in Float 44.7 Million
Shares Outstanding 49.7 Million

Volume 776,400 \$571.94 -27.30
50-Day Avg Volume 487,400
Off 52-Week High -18.2%
52-Week Hi-Lo \$698.98-\$282.44

HEADQUARTERS: ARGENTINA

PHONE:

www.mercadolibre.com

PROVIDES AN ONLINE MARKETPLACE AND ELECTRONIC PAYMENT SERVICE IN LATIN AMERICA VIA MERCADOLIBRE.COM.

08/31/18 Offered \$80 mil of 2.00% convertible senior notes due 2028

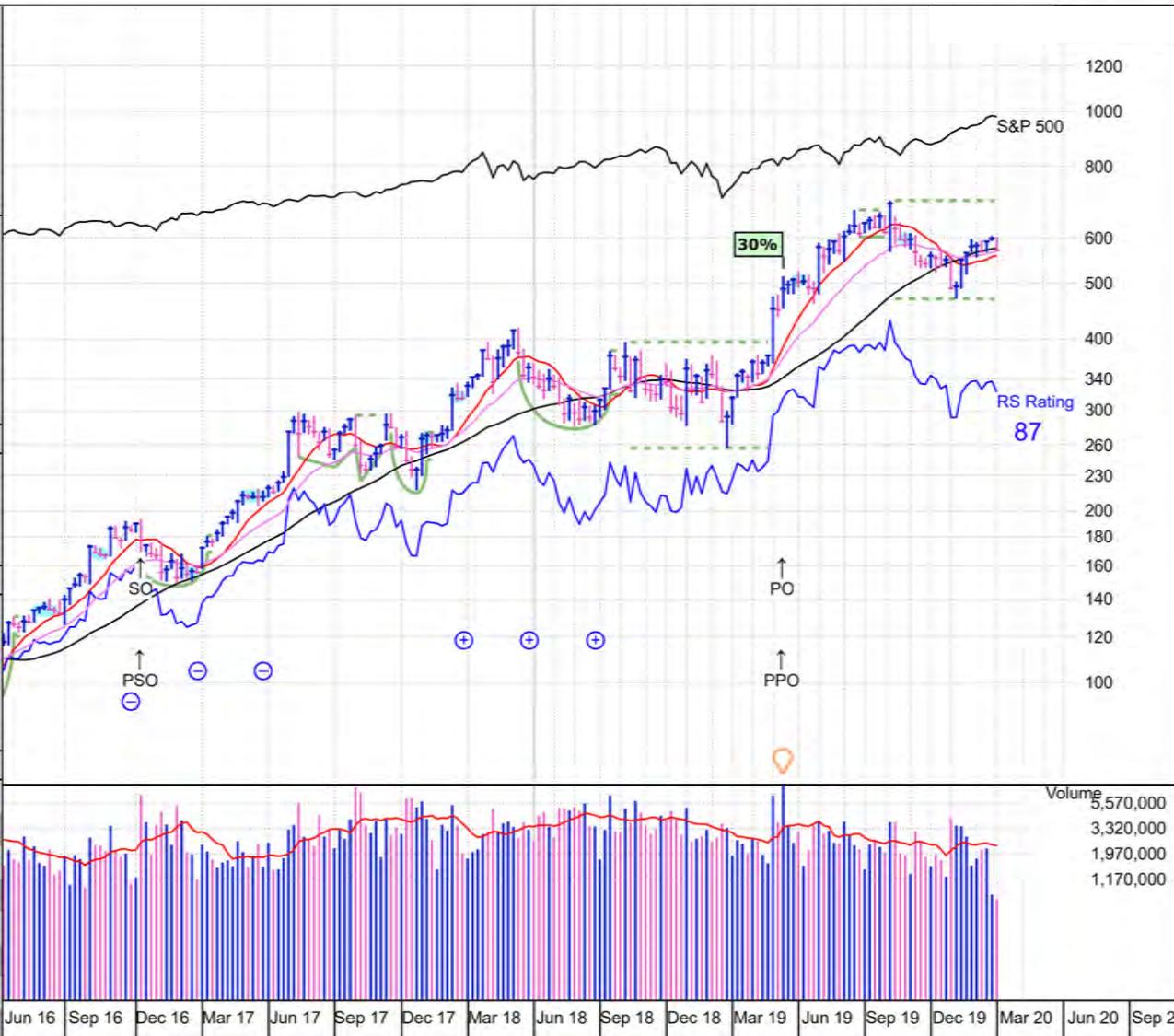
IPO 8/10/2007

Year (Dec)	EPS (\$)	Price(\$) High Low	EPS Rating	
2012	2.30	104 64	Group RS Rating	23
2013	2.80	145 76	SMR Rating	7
2014	2.88▲	144 79	Acc/Dis Rating	D
2015	3.14▲	153 85	Composite Rating	C+
2016	3.46	193 84	Timeliness Rating	46
2017	0.81	334 155	Sponsorship Rating	C
2018	-0.82	417 257	EPS Growth Rate	A
2019	-3.07 est.	N/A▼	Earnings Stability	N/A
2020	-1.44 est.	N/A▲	P/E Ratio	N/A
			5-Year P/E Range	28-999

Yield	NONE	Return on Equity	[N/A]
ExDiv	12/28/17	Cash Flow	\$0.46
Book Value	X86.20	Debt	179%
Inventory T/O	402.08X	R&D	10.2%
U/D Vol Ratio	1.0	Alpha	0.14
New CEO	N/A	Beta	1.68

Top RS in Grp	Symbol	RS	EPS Rtg	No. of Funds
Vipshp Hldgs	VIPS	98	96	Dec-18 898
Pinduoduo A	PDD	95	14	Mar-19 1046
JD.com A	JD	90	99	Jun-19 1180
Alibaba	BABA	90	99	Sep-19 1226
PetMedExp	PETS	85	45	

Quarterly	EPS(\$)	% Chg	Sales(\$Mil)	% Chg
Dec-17	-1.53	N/A	358.1	+40%
Mar-18	-0.29	N/A	321.0	+19%
Jun-18	-0.25	N/A	335.4	+18%
Sep-18	-0.23	N/A	355.3	+17%
Dec-18	-0.05	N/A	428.0	+20%
Mar-19	0.13	#+145%	473.8	+48%
Jun-19	0.31	#+224%	545.2	+63%
Sep-19	-0.95	N/A	603.0	+70%



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12.31.2019

Chipotle's CEO Cooks Up More Than Just A Turnaround



Brent Hofacker/Shutterstock.com

CEO Brian Niccol already turned around Chipotle stock. His goal to turn around Chipotle itself might sound even more ambitious.

Turns out, that's just the table stakes.

Chipotle Mexican Grill (CMG) — whose pristine reputation took hits over serious food safety gaffes — is riding a remarkable comeback. The turnaround is led by fast work by the former Taco Bell CEO. Niccol is ticking off a list of must-dos as Chipotle picks itself up off the floor. And he's regrouping with real visions of international and iconic greatness for the brand.

Niccol isn't just betting he can fully lift Chipotle back on its feet. He thinks Chipotle can become a legacy brand — like **McDonald's (MCD)** is to burgers or, yes, **Yum Brands' (YUM)** Taco Bell is to tacos.

"Do I think that Chipotle can be a global, iconic brand that stands for redefining food and culture? Absolutely," Niccol told *Investor's Business Daily* in a phone interview from the chain's new Newport Beach, Calif., office. "My hope is that the Chipotle pepper becomes as powerful as the Nike swoosh."

Chipotle Stock: Hot As A Chili Pepper

Niccol has more than chutzpah to back up those words. He's got the numbers to prove Chipotle's on a serious roll.

Like accelerating sales at stores open at least a year for the past six quarters. Second-quarter comparable sales jumped a whopping 10% and restaurant transactions rose 7%, compared to the same year-ago period.

Like digital sales that grew more than 99% in the second quarter. Like Chipotle's average unit sales moving back above the \$2 million per year mark — as it fights its way back to its former \$2.5 million high point. And like the \$777 in sales per square foot that Chipotle generated in 2018, nearly 10% above fast-casual peers. That's still well below 2014's prior peak level of \$958 per square foot, according to the investment firm Piper Jaffray. But it's quickly moving in the right direction.

Chipotle Stock: Going Beyond A Turnaround

"Brian is not attempting to turn Chipotle around — he has already turned it around," said Howard Penney, head restaurant analyst at Hedgeye Risk Management. "The question now is, how big can it be?"

Put another way, said Nicole Miller Regan, managing director of equity research at Piper Jaffray, "Brian has definitely gotten the cool factor back for Chipotle, but this is nowhere near his end goal. He's working to establish Chipotle as something iconic."

Never mind Chipotle's image was "as badly damaged as any restaurant concept in history," said Miller Regan.

Wrapping Up Chipotle Stock's Setback

That image implosion began in August 2015, when a norovirus sickened Chipotle customers in California. At the same time, salmonella made customers ill in Minnesota. Just a few months later, an E. coli outbreak at Chipotle restaurants in Washington and Oregon struck. And yet another norovirus outbreak was reported in the Boston area. Before it was all over, hundreds of Chipotle customers coast to coast complained of getting sick. That sent the company's stock tumbling from a high of 750 to well below 400.

Chipotle's familiar slogan, "food with integrity," became more like a late-night comedy punchline. Food safety came unhinged at one of the few affordable restaurant brands whose food quality was trusted by millennials.

Chipotle Stock: The Recipe For Repair

Niccol is fixing each one of Chipotle's nagging problems via a process he calls a "cultural reset." "We are much better today than we were six months ago and significantly better than a year ago," he said.

A top job is improving operations. Niccol keeps Chipotle's food quality and safety pristine under his watch. Employee training, motivation and job retention programs offer line workers a bonus. The bonus is the equivalent of one month's salary. Employees can earn the bonus if their team hits sales and cashflow targets. His most important initial mission, he said, was to "make sure we have operations better, with great food experiences every time."

Adapted from an article published on August 16, 2019 in Investor's Business Daily.

Chipotle Mexican Grill

Chipotle Mexican Grill (CMG) NYSE Retail-Restaurants

Options Yes
Short Interest 3.3 days +6%

Market Capitalization \$23.26 Billion
Shares in Float 27.0 Million
Shares Outstanding 27.8 Million

Volume 464,100 \$836.76 -0.04
50-Day Avg Volume 473,500
Off 52-Week High -2.5%
52-Week Hi-Lo \$857.90-\$415.08

HEADQUARTERS: Newport Beach, CA

PHONE: 303-595-4000

www.chipotle.com

OPERATES 2,452 CHIPOTLE FOOD RESTAURANTS IN THE U.S. 37 INTERNATIONAL CHIPOTLE RESTAURANTS

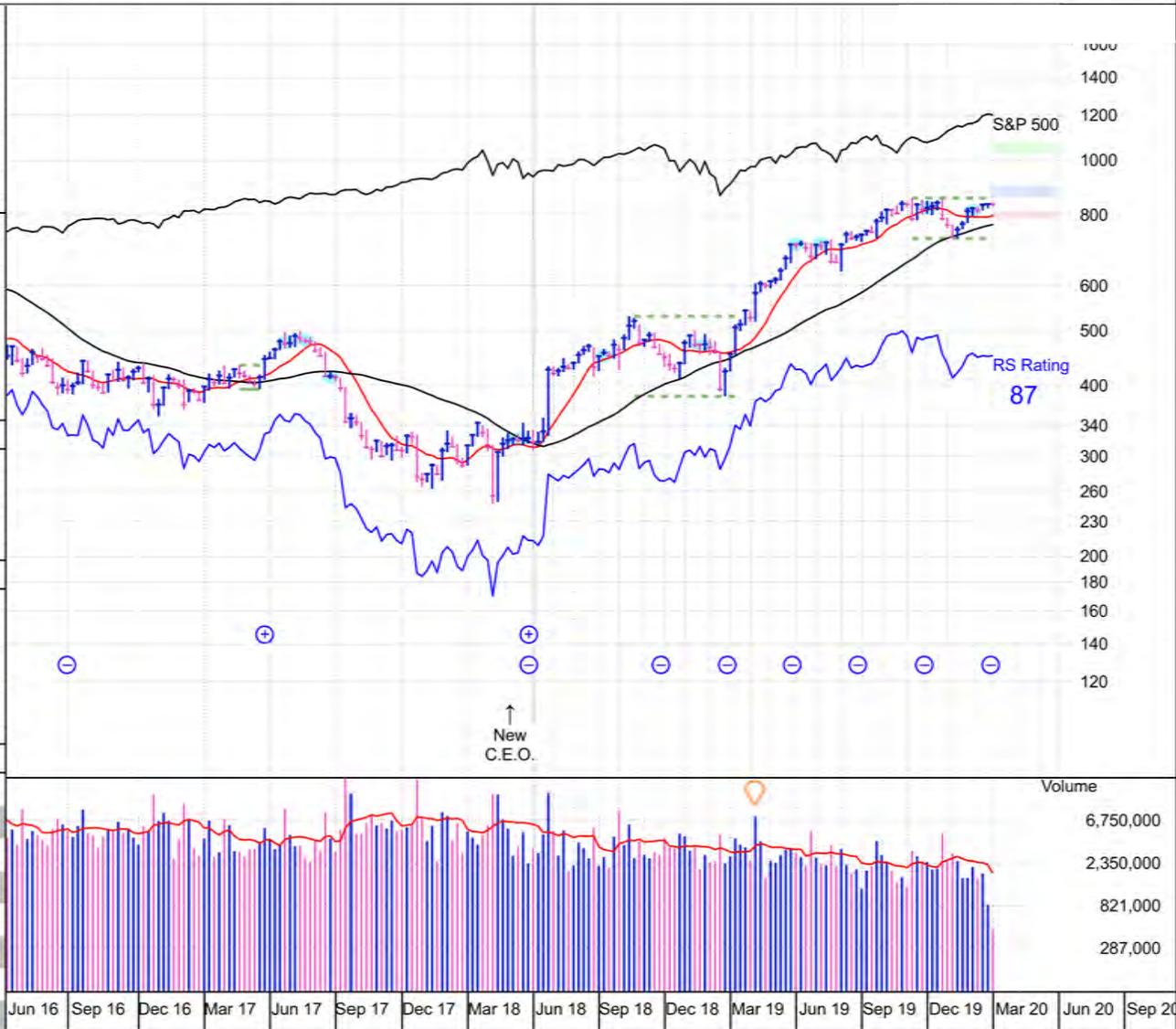
03/30/18 Q1 2018 includes a \$4.859 mil charge for loss on disposal and impairment of assets

IPO 1/26/2006

Year (Dec)	EPS (\$)	Price(\$) High Low	EPS Rating	73
2012	8.75	442 233	Group RS Rating	48
2013	10.39	550 266	SMR Rating	A
2014	14.13	697 472	Acc/Dis Rating	C+
2015	15.10 ▲	758 477	Composite Rating	83
2016	1.28 ▲	542 352	Timeliness Rating	B
2017	6.60 ▲	499 263	Sponsorship Rating	B
2018	8.88 ▲	530 247	EPS Growth Rate	-8%
2019	13.91 est.	57% ▲	Earnings Stability	84
2020	17.89 est.	29% ▲	P/E Ratio	65 (3.3 X SP)
			5-Year P/E Range	32-341
			Return on Equity	18%
			Cash Flow	\$16.26
Yield	NONE		Debt	0%
ExDiv	N/A		R&D	N/A
Book Value	X16.12		Alpha	0.20
Inventory T/O	234.94X		Beta	0.65
U/D Vol Ratio	0.8			
New CEO	03/2018			

Top RS in Grp	Symbol	RS	EPS Rtg	No. of Funds
LuckinCoffeeA	LK	98	9	Dec-18 1266
KuraSushiUsaA	KRUS	92	44	Mar-19 1344
PapaJohns	PZZA	92	35	Jun-19 1453
El Pollo Loco	LOCO	89	62	Jun-19 1453
Wendy's Co	WEN	84	92	Sep-19 1498

Quarterly	EPS(\$)	% Chg	Sales(\$Mil)	% Chg
Dec-17	▲ 1.34	+144%	1110.1	+7%
Mar-18	▲ 2.13	+33%	1148.4	+7%
Jun-18	2.87	+24%	1266.5	+8%
Sep-18	2.16	+62%	1225.0	+9%
Dec-18	1.72	+28%	1225.1	+10%
Mar-19	3.40	+60%	1308.2	+14%
Jun-19	3.99	+39%	1434.2	+13%
Sep-19	3.82	+77%	1403.7	+15%



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12.31.2019

Target Breaks Out With Earnings Growth Accelerating



George Sheldon/Shutterstock.com

Target (TGT) is the IBD Stock Of The Day as it clears a new buy point after trading tightly for several weeks. The retail giant has cracked the Amazon (AMZN) code, with Target earnings growth accelerating for the past three quarters.

Target Stock Analysis

Shares rose 1.9% to 128.38 on the stock market today, hitting a record high and clearing a 128.07 entry. Volume was below average, which is not a great sign.

Target stock has been trading tightly since Nov. 20, and is now offering a 128.07 entry point. The stock exploded on Nov. 20 as Target earnings crushed views.

The relative strength line for Target stock is right at record highs, trending strongly higher since mid-May. The RS line, the blue line in the chart below, tracks a stock's performance vs. the S&P 500 index.

Target Earnings Growth Accelerates

Target stock has an excellent IBD Composite Rating of 94. It boasts a solid mix of fundamental and technical strength, the latter underlined by its Relative Strength Rating of 96.

The Stock Checkup Tool shows Target earnings have grown by an average of 22% over the past three quarters.

However Target earnings has accelerated over that period, hitting the 25% growth mark in the previous quarter. This is far outpacing its three year growth rate of 7%.

Cracking The Amazon Code

Target, along with a few other traditional retailers such as Walmart (WMT), Costco Wholesale (COST) and Best Buy (BBY), are among those figuring out how to survive and thrive in the changing, increasingly digital shopping world. Target and its big-box peers are leveraging their stores to offer in-store or curbside pickup, giving them an advantage over Amazon, which has a relatively light physical footprint.

With more than 1,800 stores throughout the country, Target boasts a big presence within major cities.

The strong economy has been helping Target stock. BMO analyst Kelly Bania in August said the firm stood to benefit from ongoing store closures among other retailers and a change in traffic patterns, particularly away from malls.

Among rival retail stocks, Walmart stock rose 0.8%, Costco stock 0.55% and Amazon stock 0.8%. Department store Macy's (M) climbed 2.5% and Nordstrom (JWN) 1.4%.

Target Aims For Christmas Bonanza

Target is currently in the midst of the big holiday shopping season, and has taken steps to suck in even more greenbacks from customers. On Oct. 4, it launched the Disney store at Target in 25 Target locations, as well as online. This allows shoppers to buy items previously only available at Disney (DIS) retail stores. And on Oct. 8, Target said it will power the website of Toys R Us, which is emerging from bankruptcy.

Analysts are keen on Target stock, with nine currently giving it a buy or outperform rating. No analysts rate Target stock as a sell. Raymond James began covering Target with a strong buy rating and a 130 price target.

Cowen recently named Target a "best idea" for 2020, maintained an outperform rating and boosted its price target to 150 from 145. Cowen cited the discount retailer's "high-quality value" offerings and said it expects continued "robust digital growth."

Adapted from an article published on December 17, 2019 in *Investor's Business Daily*.

Target Corporation

Target Corporation (TGT) NYSE Retail-Major Disc Chains

Options Yes
Short Interest 2.6 days +3%

Market Capitalization \$64.96 Billion
Shares in Float 501.7 Million
Shares Outstanding 506.7 Million

Volume 6,001,000 \$128.20 -1.01
50-Day Avg Volume 4,900,500
Off 52-Week High -1.6%
52-Week Hi-Lo \$130.24-\$64.43

HEADQUARTERS: Minneapolis, MN

PHONE: 612-304-6073

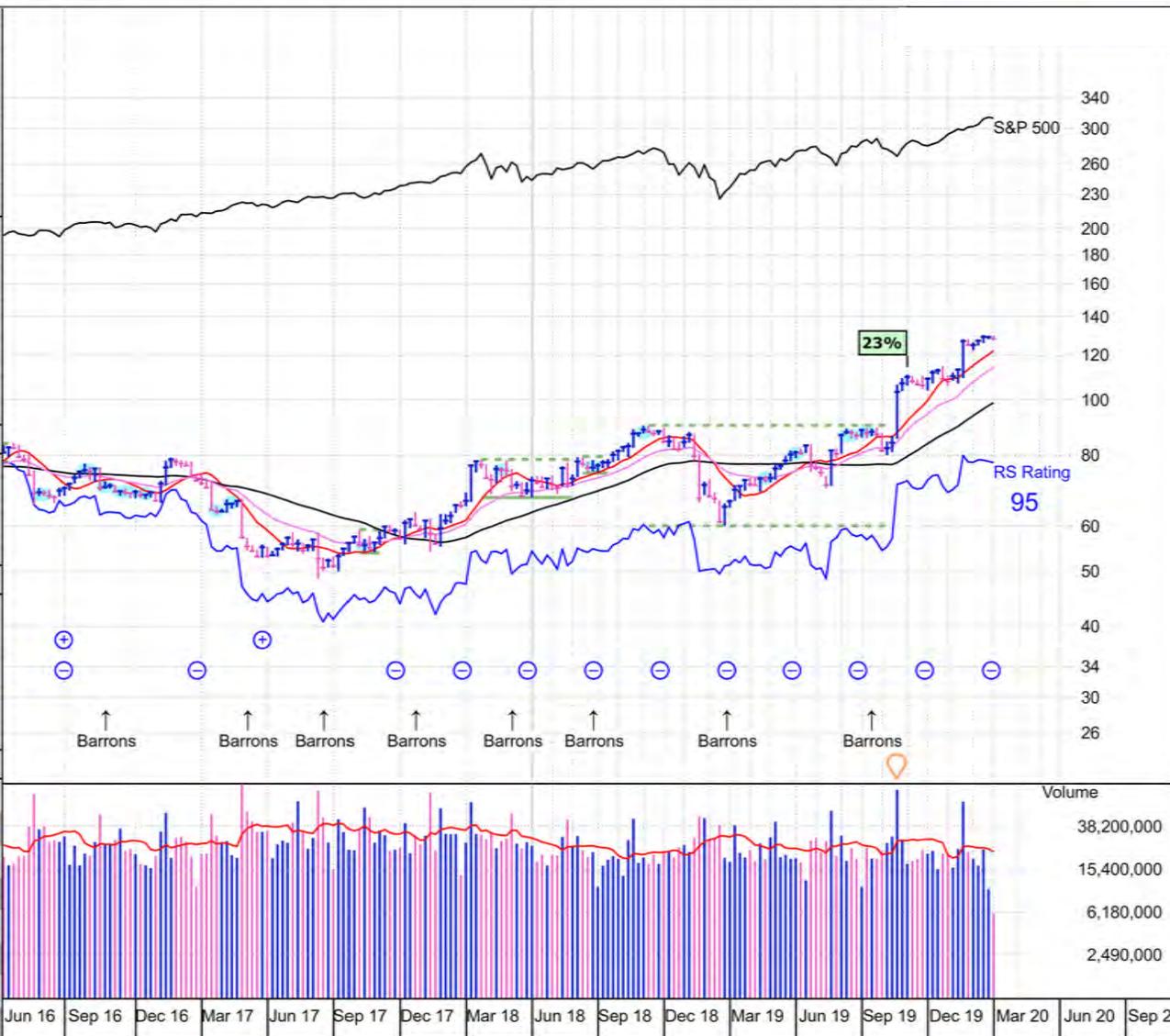
www.target.com

OPERATES 1,844 TARGET, SUPERTARGET AND CITYTARGET STORES IN U.S. OFFERING GENERAL MERCHANDISE.

11/20/19 Expects Q4 FY20 adjusted earnings of \$1.54 to \$1.74 per share

Year (Jan)	EPS (\$)	Price(\$) High Low	EPS Rating	88
2013	4.37 ▲	73 58	Group RS Rating	76
2014	4.38 ▲	76 54	SMR Rating	B
2015	4.21	85 68	Acc/Dis Rating	B
2016	4.69	84 65	Composite Rating	94
2017	5.01	74 48	Timeliness Rating	A
2018	4.70	90 60	Sponsorship Rating	C
2019	5.39	130 64	EPS Growth Rate	6%
2020	6.40 est.	19% ▲	Earnings Stability	5
2021	6.94 est.	8% ▲	P/E Ratio	21 (1.1 X SP)
Yield	2.1%		5-Year P/E Range	10-21
ExDiv	11/19/19		Return on Equity	25%
Book Value	X5.78		Cash Flow	\$10.33
Inventory T/O	8.33X		Debt	90%
U/D Vol Ratio	1.3		R&D	N/A
New CEO	08/2014		Alpha	0.20
			Beta	0.77
Top RS in Grp	Symbol	RS	EPS Rtg	No. of Funds
Costco	COST	80	82	Dec-18 2061
Pricesmart	PSMT	80	44	Mar-19 2142
Walmart	WMT	70	55	Jun-19 2188
Wal-Mart Mex	WMMVY	37	61	Sep-19 2284

Quarterly	EPS(\$)	% Chg	Sales(\$Bil)	% Chg
Jan-18	1.36	-6%	22.8	+10%
Apr-18	1.31	+9%	16.8	+3%
Jul-18	1.47	+20%	17.8	+7%
Oct-18	1.09	+21%	17.8	+6%
Jan-19	1.53	+13%	23.0	+1%
Apr-19	1.53	+17%	17.6	+5%
Jul-19	1.82	+24%	18.4	+4%
Oct-19	1.36	+25%	18.7	+5%



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12.31.2019

Salvage Car Leader ‘Doubles Down’ On Growth



streetlucifer/Shutterstock.com

Copart (CPRT) stock is the unquestioned leader in the decidedly unsexy industry of auctioning off cars on behalf of insurance companies, banks, dealers, charities and individual owners. But sexy is in the eye of the beholder and to top-rated funds, Dallas-based Copart is quite appealing.

Indeed, Copart stock, which resides on the IBD 50, IBD Big Cap 20 and IBD Leaderboard lists, is owned by 130 funds that have a rating of A+ from IBD. Those informed stock owners don't think "junkyard" or "repo" when they hear the name "Copart." They think "growth stock."

The reason is obvious: Copart is a growth stock. Its last earnings stumble came in late 2015, a year in which earnings per share either fell or showed no change at all in two of the last three quarters. Since then, Copart reeled off 16 consecutive quarters of double-digit EPS growth averaging 31% a quarter, a more-than-solid record given its industry.

As its chart shows, the stock's performance has tracked the company's EPS. Most recently, it formed a five-week flat base with a 92.51 buy point. On Thursday, Copart stock broke out, rising 2.8% to 93.48.

As for its industry, Copart stock remains No. 1 in the auto parts retailer industry, followed by **LKQ (LKQ)**, **AutoZone (AZO)**, **O'Reilly Automotive (ORLY)** and **Genuine Parts (GPC)**.

Copart Stock: Among IBD's Top Performers

From IBD's own rankings, Copart gets a 97 Composite Rating, meaning it ranks in the top 3% of all stocks for key fundamental and technical factors. While its Relative Strength Rating is 92, solid but not world-beating, Copart stock earns a best-possible 99 for its EPS Rating.

Over the last year, Copart stock surged more than 90%, making it one of the stock market's big winners for 2019.

As a recent Zacks Investment Research note said, "The company's impressive run can be attributed to consistent top- and bottom-line performance. It surpassed the Zacks Consensus Estimate in each of the trailing four quarters, with the average positive surprise being 6.4%." In short, it hasn't disappointed investors in a long time.

Delivering On A Simple Strategy For Profits

Copart's formula for success isn't hard to understand. They're saturating their domestic U.S. market, while expanding in both Canada and Europe. It's a simple, yet profitable strategy. According to the IBD database, Wall Street analysts expect EPS to grow 24% for Copart's 2020 fiscal year that ends in July. They forecast 11% growth in fiscal 2021.

It's important here to note two things: One, Copart has a recent habit of beating analysts' estimates, as noted above. And, two, recent analyst estimates have been mostly revised upward, not down.

The company's rising profitability is another spot of interest for investors. Copart stock shows annual pretax profit margins averaging 30% going back to 2011. That strengthened even further, however, in recent years, with 2019's profitability hitting a powerful high of 34.4%. That means for every \$3 the company takes in, about \$1 is profit, before the taxman takes his share. That's a highly profitable company, and more than twice the average 14%

pretax margin of the four other companies at the top of its industry group.

Adapted from an article published on January 2, 2020 in *Investor's Business Daily*.

Copart Inc

Copart Inc (CPRT) NASDAQ Retail/Wholesale-Auto Parts

Volume 2,312,400 \$90.94 +0.12

Options Yes
Short Interest 2.5 days -11%

Market Capitalization \$21.14 Billion
Shares in Float 202.2 Million
Shares Outstanding 232.5 Million

50-Day Avg Volume 1,867,000
Off 52-Week High -1.6%
52-Week Hi-Lo \$92.41-\$46.65

HEADQUARTERS: Dallas, TX

PHONE: 972-391-5000

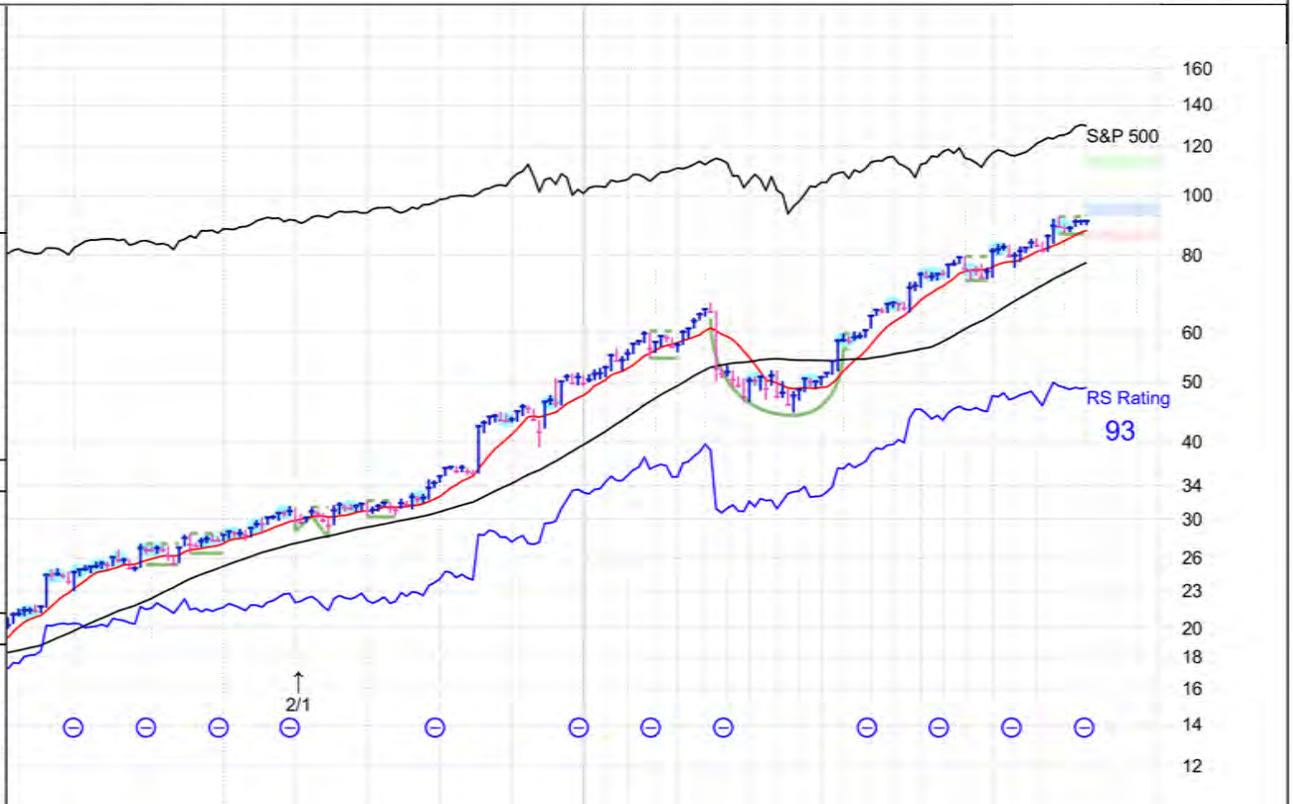
www.copart.com

CONDUCTS SALVAGED VEHICLE AUCTIONS FOR INSURANCE COMPANIES, CHARITIES, DEALERSHIPS, BANKS

09/04/19 Named CFO Jeffrey Liaw to the addl post of Pres, effective September 3, 2019

IPO 3/16/1994

Year (Jul)	EPS (\$)	Price(\$) High Low	EPS Rating	99
2013	0.68	19 14	Group RS Rating	38
2014	0.76▲	18 14	SMR Rating	A
2015	0.84	19 16	Acc/Dis Rating	A-
2016	1.03	28 16	Composite Rating	97
2017	1.29	44 27	Timeliness Rating	A
2018	1.72	67 39	Sponsorship Rating	B
2019	2.25	92 46	EPS Growth Rate	26%
2020	2.79 est.	24%▲	Earnings Stability	5
2021	3.10 est.	11%▲	P/E Ratio	37 (1.9 X SP)
			5-Year P/E Range	19-39
			Return on Equity	32%
			Cash Flow	\$2.70
Yield	NONE		Debt	22%
ExDiv	N/A		R&D	N/A
Book Value	X11.88		Alpha	0.17
Inventory T/O	108.40X		Beta	0.81
U/D Vol Ratio	1.7			
New CEO	02/2010			
Top RS in Grp	Symbol	RS	EPS Rtg	No. of Funds
LKQ	LKQ	88	84	Dec-18 1104
Autozone	AZO	78	87	Mar-19 1165
OReillyAuto	ORLY	77	90	Jun-19 1289
GenuinePrts	GPC	44	73	Jun-19 1289
Monro	MNRO	27	56	Sep-19 1372



Quarterly	EPS(\$)	% Chg	Sales(\$Mil)	% Chg
Jan-18	0.47	+62%	459.1	+31%
Apr-18	0.52	+41%	478.2	+28%
Jul-18	0.42	+20%	449.2	+19%
Oct-18	0.47	+42%	461.4	+10%
Jan-19	0.52	+11%	484.9	+6%
Apr-19	0.66	+27%	553.1	+16%
Jul-19	0.60	+43%	542.6	+21%
Oct-19	0.65	+38%	554.4	+20%



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12.31.2019

Yogawear Maker Stretches Out Profits By Expanding Clientele



shop.lululemon.com

Yogawear maker **Lululemon Athletica (LULU)** has been on a monster stock market run by anyone's standards. Since hitting a low of 2.17 in 2009, it has increased in value by 7,600%, and is now the pound-for-pound leader in athleisure wear.

The firm's offerings continue to win over plenty of customers. It posted blowout earnings last month, and its per-share earnings growth rate has averaged 51% over the past three quarters. This is even better than the three-year growth rate of 27%. In addition, both sales and earnings accelerated in the last quarter.

Still, there is plenty of room for growth — with more overseas expansion such as the lucrative Chinese market — on the horizon. Management is set to give a detailed account of its overseas strategy at its analyst day later this month. Chief Executive Calvin McDonald shared some insight during the firm's fourth-quarter earnings call in late March.

"We are planning to open more new doors this year in the 40 to 50 range, with China picking up a disproportionate number of those incremental doors," he said, referring to planned new store openings. "So overall, the amount of incremental square footage is in the midteen growth range, which is up from 2018."

At the end of fiscal 2018, Lululemon had a total of 440 company-operated stores. But there is a strong focus on North America, with the U.S. accounting for 285 outlets. The firm's native Canada is the home for 64 more. Indeed, China is only its fourth-biggest territory, with its 22 stores lagging Australia's 29.

Stretching All Over The World

So far the firm's trademark stores, which offer limb-bending yoga sessions and fitness classes as well as selling apparel, have proved popular with overseas customers. In its most recent quarter, strong profitability in Asia and Australia more than offset operating losses in Europe.

Lululemon is bullish on its prospects in Europe. While it currently loses money as it builds its business there, management said it now sees "traction and momentum" and expects operations to break even in the next 18 months.

Deutsche Bank managing director Paul Trussell, who rates the stock a buy with a 179 target, said the firm's overseas plans are a key theme ahead of the firm's analyst day on Apr. 24. Shares currently stand around 170.

"We think international expansion will likely be a popular topic given that it only represents around 10% of sales currently," Trussell said in a note to clients.

But there is much more to the stock than just overseas expansion. While its trademark stretchy pants business is still referred to as its "growth pillar" by the firm, it is expanding into other areas. This is key for CAN SLIM connoisseurs, as the N in the acronym stands for new products.

"Management noted meaningful success in the outerwear segment in 2018, with particular success in winter with new cold-weather styles," B. Riley FBR analyst Susan Anderson said in a research note. "In particular, men's

continues to see robust growth, albeit off a continued small base. Looking ahead into 2019, management sees meaningful opportunity in what they are calling office, travel and commute assortments."

'Dual-Gender' Future Awaits

Lululemon plans to keep a strong focus on its female customers. The company says it is expanding product categories that have driven success, including office travel commute, outerwear and bras.

But management sees men as a key addressable market. The firm is painting the picture of a rosy "dual-gender" future. There, the brand appeals as much to men as its current core female customer.

"There's a lot of runway for us to continue to grow our men's business. We're just over 20% penetration today," Chief Operating Officer Stuart Haselden said during the fourth-quarter earnings call. "We really believe that Lululemon can be a dual-gender brand, and that our men's business can ultimately be as big as our women's."

One interesting trend is men are showing an increasing willingness to squeeze into a pair of skin-tight Lululemon pants, as well as other offerings in their bottoms range. Pants became the company's best-selling product category among males for the first time in 2018, finally overtaking longtime leader, performance tops (shirts).

Adapted from an article published on April 5, 2019 in Investor's Business Daily.

Lululemon Athletica

Lululemon Athletica (LULU) NASDAQ Retail-Apparel/Shoes/Acc

Volume 2,140,800 \$231.67 +1.65

Options Yes
Short Interest 1.7 days -25%

Market Capitalization \$30.19 Bil(\$28.47 Bil)
Shares in Float 109.8 Million
Shares Outstanding 130.3 Mil(123.3 Mil)

50-Day Avg Volume 2,042,400
Off 52-Week High -1.6%
52-Week Hi-Lo \$235.50-\$118.28

HEADQUARTERS: Vancouver, BC

PHONE: 604-732-6124

www.lululemon.com

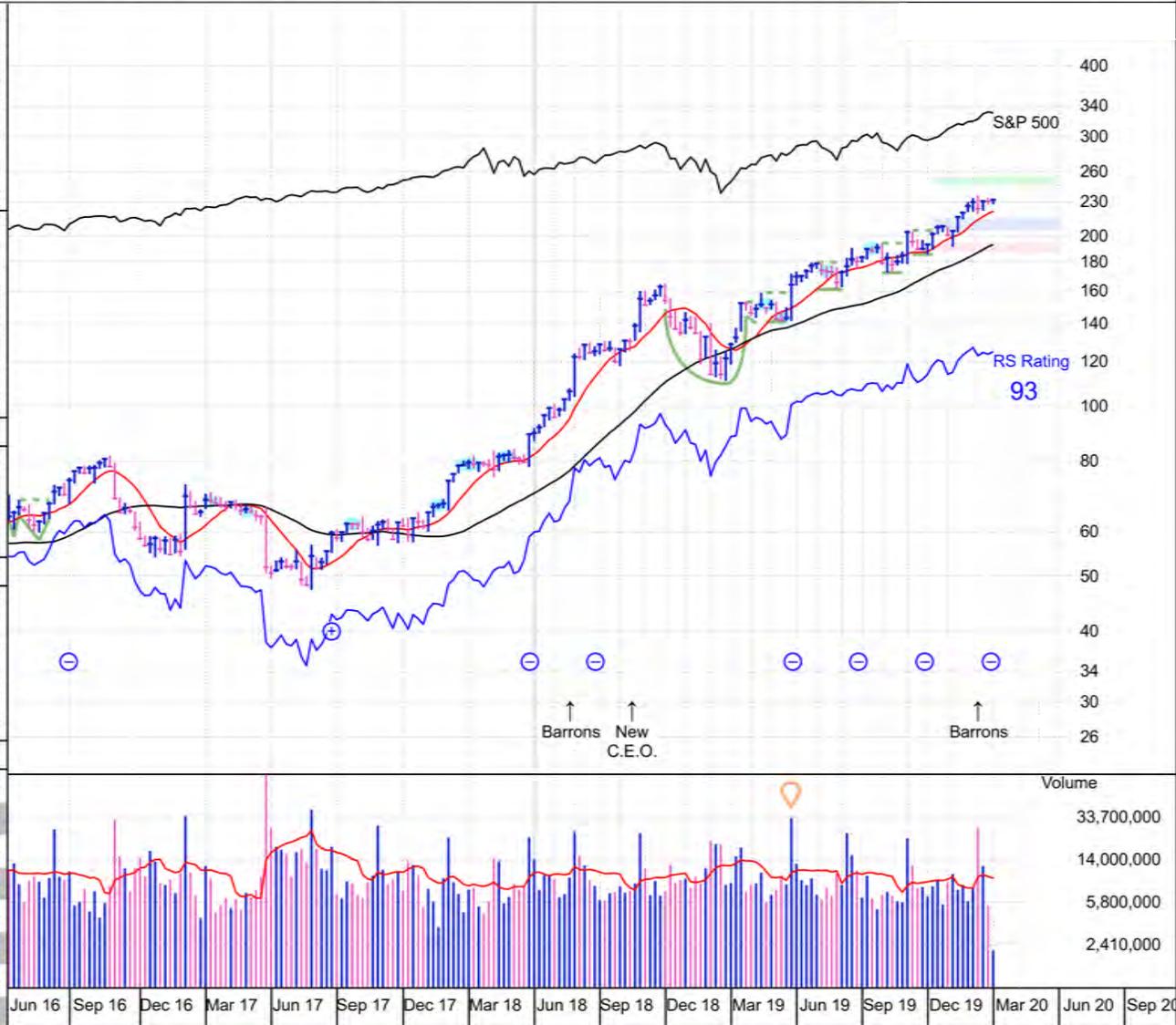
OPERATES AND FRANCHISES 440 ATHLETIC APPAREL STORES IN U.S., CANADA, AUSTRALIA, UK, NEW ZEALAND

12/11/19 Expects FY20 earnings of \$4.75 to \$4.78 per diluted share on revenues of \$3.895 bil to \$3.910 bil

IPO 7/30/2007

Year (Jan)	EPS (C\$)	Price(\$) High Low	EPS Rating	96
2013	1.81	82 57	Group RS Rating	89
2014	1.91	59 36	SMR Rating	A
2015	1.87	70 43	Acc/Dis Rating	B
2016	1.86	81 51	Composite Rating	99
2017	2.14	80 47	Timeliness Rating	A
2018	2.59	164 74	Sponsorship Rating	C
2019	3.84	235 118	EPS Growth Rate	21%
2020	4.80	est. 25%▲	Earnings Stability	12
2021	5.69	est. 19%▲	P/E Ratio	51 (2.6 X SP)
Yield		NONE	5-Year P/E Range	22-52
ExDiv		N/A	Return on Equity	34%
Book Value		X20.80	Cash Flow	\$4.87
Inventory T/O		8.96X	Debt	0%
U/D Vol Ratio		1.1	R&D	N/A
New CEO		08/2018	Alpha	0.16
			Beta	1.05
Top RS in Grp	Symbol	RS	EPS Rtg	No. of Funds
Boot Barn	BOOT	96	94	Dec-18 1217
Buckle	BKE	94	61	Mar-19 1334
BurligtnStrs	BURL	91	98	Jun-19 1404
Zumiez	ZUMZ	91	85	Jun-19 1404
Lands End	LE	91	47	Sep-19 1413

Quarterly	EPS(C\$)	% Chg	Sales(C\$Mil)	% Chg
Jan-18	1.33	+33%	928.8	+18%
Apr-18	0.55	+72%	649.7	+25%
Jul-18	0.71	+82%	723.5	+25%
Oct-18	0.75	+34%	747.7	+21%
Jan-19	1.85	+39%	1167.5	+26%
Apr-19	0.74	+35%	782.3	+20%
Jul-19	0.96	+35%	883.4	+22%
Oct-19	0.96	+28%	916.1	+23%



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12.31.2019

Wingstop CEO Charlie Morrison Heats Up Success With Simplicity



wingstop.com

Rapper Rick Ross owns Wingstop locations and promotes them on social media — leading some to think he runs the whole company. But the Wingstop CEO is actually the more low-key Charlie Morrison, busily focused on delivering results that impress Wall Street.

There's nothing low-key about Wingstop's growth. **Wingstop (WING)**, a quick-service wings and fries restaurant chain, grew U.S. same-store sales for 15 consecutive years. Morrison took the company public in 2015. And by 2018 profit hit \$21.7 million, up more than 500% from 2012 levels on 200% higher revenue of \$153.2 million.

Meanwhile, as of the fiscal second quarter of 2019 ended on June 29, Wingstop locations grew 9.7% to 1,303 locations globally. Same-store sales rose 12.8%. Such red-hot growth put the company on the Top 100 Fastest Growing Restaurant Chains list by Nation's Restaurant News, and it was named one of the Top 500 Restaurant Chains by Restaurant Business.

"I think what Charlie's done a great job of is he's kept it simple and focused," said Jefferies restaurant analyst Andy Barish. But how?

Build Consensus

Morrison's success stems largely from bringing franchisees on board with new, sometimes costly, initiatives. Wingstop

has 1,168 locations in the U.S., of which 1,139 are franchised and 29 company-owned. Morrison tests ideas on company-owned stores before asking franchisees to pitch. That's what he did with Wingstop's first national advertising campaign, launched in 2017.

"He was able to demonstrate the results," Barish said. "When you do that, you usually get much better buy-in than if you try to shove something down a lot of people's throats." So beginning in fiscal 2019, franchise owners supported the campaign by increasing contributions to Wingstop's national advertising fund to 4% of gross sales from 3%.

Morrison, 50, says the good franchisee relationship stems from respect.

"We affectionately refer to our franchisees as our brand partners," Morrison told Investor's Business Daily. "I think that in and of itself demonstrates our commitment to having a very transparent and collaborative relationship with them."

Stick To Basics

Wingstop's steady success masks periods of turbulence. When wing prices skyrocketed in 2017, Morrison says Wingstop's focus on keeping other parts of the business running smoothly was key. "It certainly was a difficult year," he said. "We saw record high wing prices. Bone-in chicken wings make up as much as 65% of our total sales. Chicken wings are perhaps one of the most volatile commodities in the restaurant industry."

Morrison says Wingstop's business is insulated from that volatility "by focusing on maintaining a very simple operating model." Stores are smaller than those of rival fast-food franchises, averaging 1,700 square feet, and focus on carryout of wings and fries. "Simplicity translates to really low labor costs compared to peers in our industry," he said.

So while food costs can be volatile, the other parts of the business are very efficient, Morrison says. "Our

brand partners were able to maintain strong cash flow characteristics to the restaurants," he said.

Nurture Relationships

Morrison's career spans 25 years with various companies, including Pizza Hut, Steak and Ale, Kinko's and Wingstop. He joined Dallas-based Wingstop in June 2012.

Just three years later, in June 2015, Morrison led Wingstop to one of the most successful IPOs in the history of the restaurant industry, according to Kansas State University, which selected him as its 2017 Financial Executive of the Year. Morrison, who grew up in Wichita, Kan., is a graduate of KSU. Shares are up more than 350% from the \$19-a-share IPO price.

Ansley Chua, finance department head at Kansas State University's College of Business Administration, says Morrison's willingness to reach out to all employees makes him unique. "He's willing to work hard and do some of the things other CEOs might not do or that you wouldn't expect them to do," Chua said. "He often meets with workers (outside the C-suite) and gets their input on how to do things. So he has that approachable, very open attitude."

Before taking the helm at Wingstop, Morrison led pizza chain Pizza Inn, where he launched a spin-off, Pie Five, one of the first fast-casual pizza eateries. Earlier, Morrison honed his skills in the restaurant business at Metromedia Restaurant Group, formed by restaurant pioneer Norman Brinker and parent company of Steak and Ale among other restaurants. Morrison served as president of Steak and Ale from 2004 to 2006.

Adapted from an article published on September 12, 2019 in *Investor's Business Daily*.

Wingstop Inc

Wingstop Inc (WING) NASDAQ Retail-Restaurants

Volume 501,700 \$86.23 +0.02

Options Yes
Short Interest 6.9 days +11%

Market Capitalization \$2539.7 Million
Shares in Float 29.2 Million
Shares Outstanding 29.5 Million

50-Day Avg Volume 456,300
Off 52-Week High -19.7%
52-Week Hi-Lo \$107.43-\$60.13

HEADQUARTERS: Dallas, TX

PHONE: 972-686-6500

www.wingstop.com

OWNS AND FRANCHISES 1,252 CHICKEN WINGS-FOCUSED RESTAURANTS ACROSS 43 STATES AND TEN COUNTRIES.

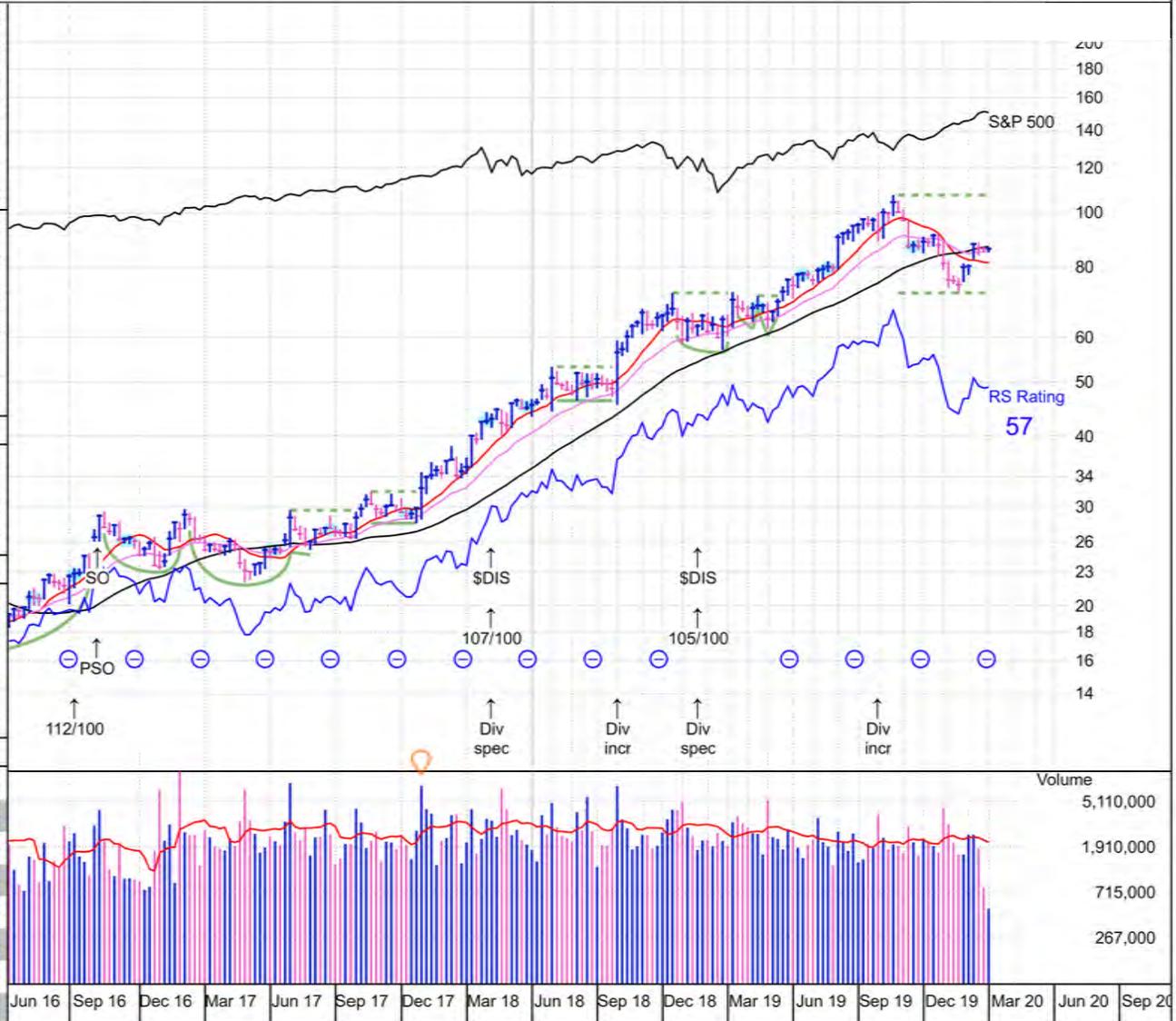
10/30/19 Raised 2019 earnings guidance to \$0.75 to \$0.77 per diluted share

IPO 6/12/2015

Year (Dec)	EPS (\$)	Price(\$) High Low	EPS Rating	65
2012	0.13		Group RS Rating	48
2013	0.26		SMR Rating	N/A
2014	0.37		Acc/Dis Rating	B+
2015	0.47	28 9	Composite Rating	51
2016	0.58	29 16	Timeliness Rating	C
2017	0.69	38 22	Sponsorship Rating	C
2018	0.84	72 33	EPS Growth Rate	20%
2019	0.77 est.	-8%▲	Earnings Stability	9
2020	0.91 est.	18%▼	P/E Ratio	116 (5.8 X SP)
Yield 0.5%			5-Year P/E Range	32-145
ExDiv 11/27/19			Return on Equity	[N/A]
Book Value X-11.26			Cash Flow	\$1.06
Inventory T/O N/A			Debt N/A	Ownership
U/D Vol Ratio 1.0			R&D N/A	Mgmt 1%
New CEO N/A			Alpha 0.07	Banks 0%
			Beta 0.59	Funds 82%

Top RS in Grp	Symbol	RS	EPS Rtg	No. of Funds
LuckinCoffeeA	LK	98	9	Dec-18 433
KuraSushiUsaA	KRUS	92	44	Mar-19 437
PapaJohns	PZZA	92	35	Jun-19 451
El Pollo Loco	LOCO	89	62	Jun-19 451
Chipotle	CMG	87	73	Sep-19 464

Quarterly	EPS(\$)	% Chg	Sales(\$Mil)	% Chg
Dec-17	0.15	0%	35.2	+42%
Mar-18	0.25	+19%	37.4	+12%
Jun-18	0.23	+35%	37.0	+17%
Sep-18	0.21	+31%	38.3	+15%
Dec-18	0.15	0%	40.5	+15%
Mar-19	0.22	-12%	48.1	+29%
Jun-19	0.17	-26%	48.6	+31%
Sep-19	0.20	-5%	49.9	+30%



Quotes delayed 20 minutes. Ownership and Estimate data provided by Thomson Reuters. reachus@marketsmith.com © 2019 MarketSmith, Incorporated.

Starbucks Sales Beat As Street Seeks Signs Of A Perk In 2020



monticello/Shutterstock.com

Starbucks (SBUX) reported fiscal fourth-quarter sales that beat expectations, while earnings matched, but the coffee giant forecast profit next year that was a bit shy of forecasts. Starbucks stock rose after hours.

With Starbucks' fiscal 2019 in the books, investors will be looking for signs that the chain can still outpace the prior year's strong growth. Starbucks' fiscal year ended in September.

The above-estimate results hit as the coffee chain squares off against rivals in its two key regions: the U.S., where it competes with the likes of **Dunkin' Brands (DNKN)** and **McDonald's (MCD)**; and in China, where mobile-centric upstart **Luckin Coffee (LK)** is growing rapidly.

But greater promotion of its Nitro Cold Brew, along with a temporary offering of its pumpkin-spiced Pumpkin Cream Cold Brew, were expected to help boost the quarter's results, as were ongoing investments in digital ordering. The company also announced a 14% increase in its quarterly dividend to 41 cents per share.

Starbucks Earnings

Starbucks posted an overall 5% gain in same-store sales, or locations open at least 13 months, aided by a more brisk rate of transactions. The sales figure was better than Consensus Metrix's forecast for a 4% increase.

Same-store sales in the U.S. and China also rose. They climbed 6% in the U.S. and the broader Americas region, above estimates for a 4.5% gain. In China, they increased 5%. Consensus Metrix forecast an increase of 3.2% in China and the Asia-Pacific region.

Starbucks earned 70 cents per share during the quarter, up 13% and in line with analyst expectations, according to Zacks. Revenue rose 7% to \$6.747 billion, topping forecasts for \$6.658 billion.

The company said it expected global same-store sales growth of 3% to 4% for the next fiscal year. Starbucks forecast EPS of \$3.00 to \$3.05, below Zacks estimates of \$3.07. It expects to open around 2,000 net new Starbucks locations around the world.

Starbucks Stock

Starbucks stock rose 2.9% to 86.62 after-hours. Luckin Coffee, a rapidly growing rival in China, rose 0.1% late Wednesday. The stock had found support at its 50-day line.

Dunkin' Brands, which reports Thursday, was unchanged in after-hours trade. That stock was working on a flat base with an 84.83 buy point. McDonald's stock was also unchanged, heading toward a 222.03 buy point of a flat base.

Starbucks stock has a Composite Rating of 79. Its EPS Rating is a strong 95, indicating steady profit growth. Shares this year breezed higher for the first half of this year, lifted by gains in the U.S. and China. Efforts to strengthen digital orders and its loyalty program also helped.

But on July 26, Starbucks stock hit a top of 99.72. In the weeks that followed, shares consolidated and then eased lower. In September, the stock lost support at the 50-day line. It is still above its 200-day line.

As Starbucks stock trended down, its relative strength line has also angled lower. The relative strength line compares

a stock's momentum against the S&P 500. It falls when a stock fails to keep up with the benchmark index.

Starbucks Earnings View In Focus

Starbucks, during a presentation in September, said its earnings-per-share outlook for the next fiscal year would be "below our ongoing growth model of at least 10%."

CFO Patrick Grismer said then that as Starbucks' stock raced higher during the year, the company pulled forward some share buybacks set for fiscal 2020 into fiscal 2019, translating to less of a boost to earnings next year.

During the September presentation, Grismer also said the U.S. consumer was "very healthy," helped by a strong economy, but added that while he was "very pleased" with China's results, same-store sales there had tapered. Economic growth, while still strong, wasn't as strong as it was two to three years ago. Competition in a nation where tea is the preferred caffeine source had also increased, he said.

"I would say, to a great extent, Starbucks has demonstrated in China the appeal of the premium coffee specialty retail category," he said. "And that has attracted a lot of competition not just in coffee, but also in teas. So with that, there's more competition."

Adapted from an article published on October 30, 2019 in *Investor's Business Daily*.

Starbucks Corp

Starbucks Corp (SBUX) NASDAQ Retail-Restaurants

Volume 8,668,200 \$87.92 -0.21

Options Yes
Short Interest 2.4 days +16%

Market Capitalization \$103.83 Billion
Shares in Float 1133.8 Million
Shares Outstanding 1181.0 Million

50-Day Avg Volume 6,698,700
Off 52-Week High -11.8%
52-Week Hi-Lo \$99.72-\$61.40

HEADQUARTERS: Seattle, WA

PHONE: 206-447-1575

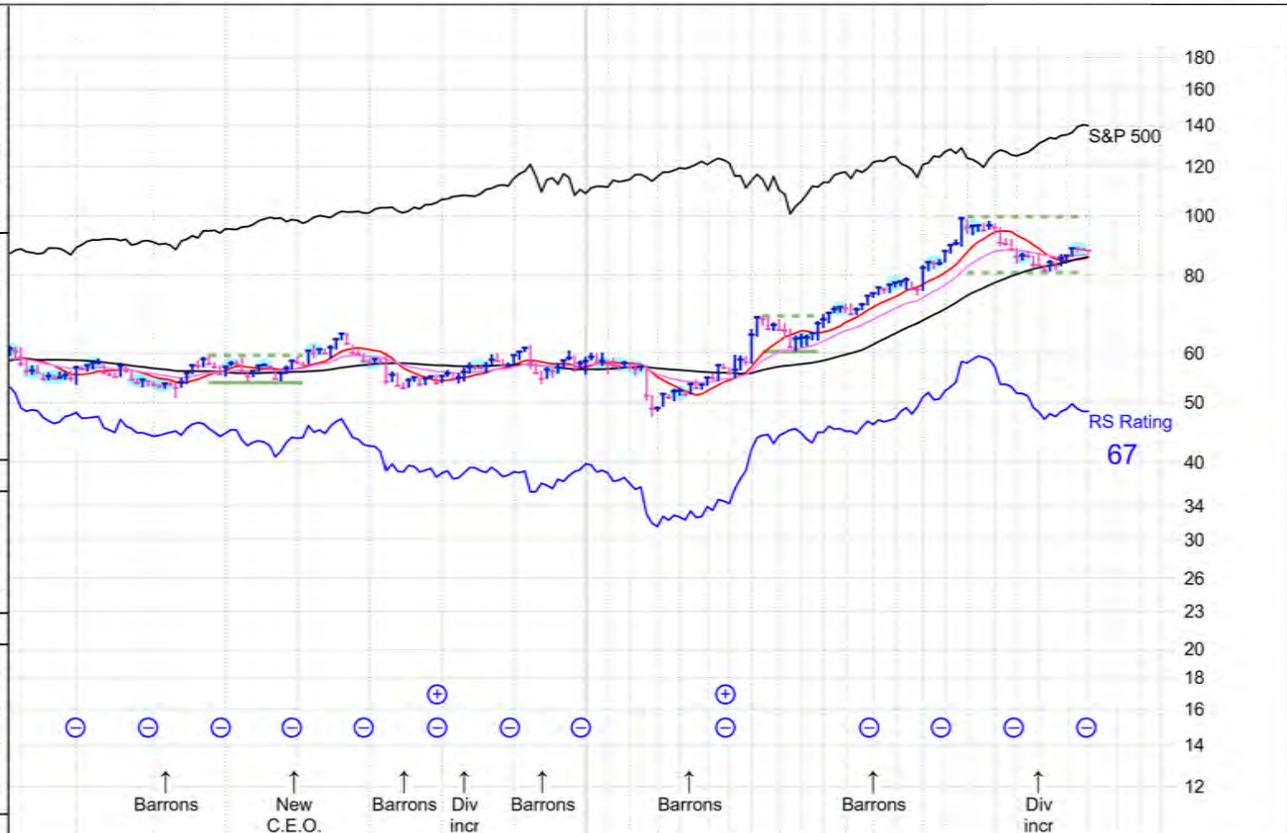
www.starbucks.com

OPERATES 31,256 COFFEE SHOPS WORLDWIDE (18,067 IN U.S.) OFFER BEVERAGES, FOOD ITEMS, WHOLE BEAN COFFEES

10/30/19 Expects FY20 non-GAAP earnings of \$3.00 to \$3.05 per share on revenues growth of 6% to 8%

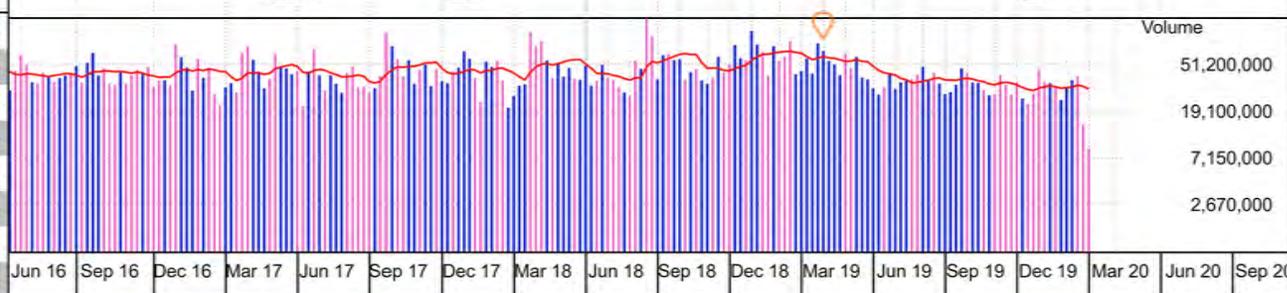
IPO 6/25/1992

Year (Sep)	EPS (\$)	Price(\$) High Low	EPS Rating	94
2013	1.10	41 26	Group RS Rating	48
2014	1.33	42 33	SMR Rating	A
2015	1.58	64 39	Acc/Dis Rating	C+
2016	1.85	61 50	Composite Rating	79
2017	2.07	64 52	Timeliness Rating	C
2018	2.42	68 47	Sponsorship Rating	B
2019	2.83	99 61	EPS Growth Rate	16%
2020	3.05 est.	8%▲	Earnings Stability	1
2021	3.43 est.	12%▼	P/E Ratio	31 (1.6 X SP)
			5-Year P/E Range	20-39
			Return on Equity	[N/A]
			Cash Flow	\$4.17
Yield		1.9%	Debt	N/A
ExDiv		11/12/19	R&D	N/A
Book Value		X-16.57	Alpha	0.04
Inventory T/O		18.10X	Beta	0.82
U/D Vol Ratio		1.0		
New CEO		04/2017		



Top RS in Grp	Symbol	RS	EPS Rtg	No. of Funds
LuckinCoffeeA	LK	98	9	Dec-18 2283
KuraSushiUsaA	KRUS	92	44	Mar-19 2555
PapaJohns	PZZA	92	35	Jun-19 2757
El Pollo Loco	LOCO	89	62	Jun-19 2757
Chipotle	CMG	87	73	Sep-19 2817

Quarterly	EPS(\$)	% Chg	Sales(\$Mil)	% Chg
Dec-17	0.65	+25%	6073.8	+6%
Mar-18	0.53	+18%	6031.8	+14%
Jun-18	0.62	+13%	6310.3	+11%
Sep-18	0.62	+13%	6303.6	+11%
Dec-18	0.75	+15%	6632.7	+9%
Mar-19	0.60	+13%	6305.9	+5%
Jun-19	0.78	+26%	6823.0	+8%
Sep-19	0.70	+13%	6747.0	+7%



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RETAIL

Cardlytics Inc

Cardlytics Inc (CDLX) NASDAQ Computer Sftwr-Enterpse Average Daily Volume 528,600

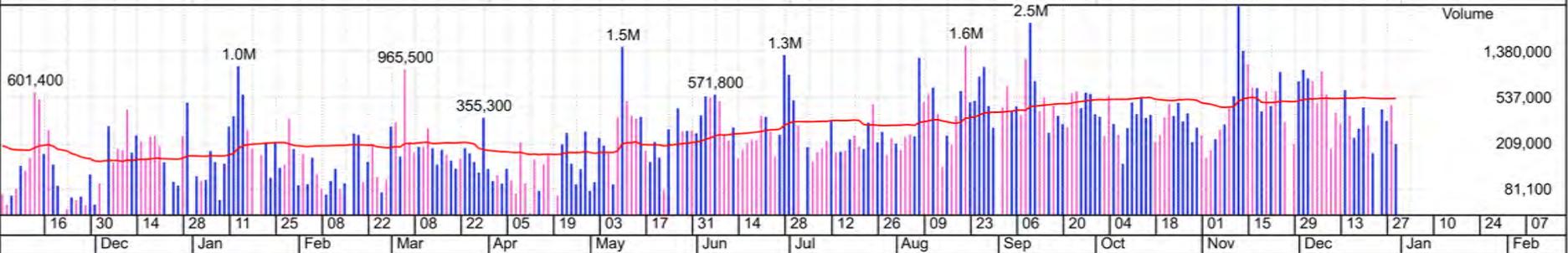
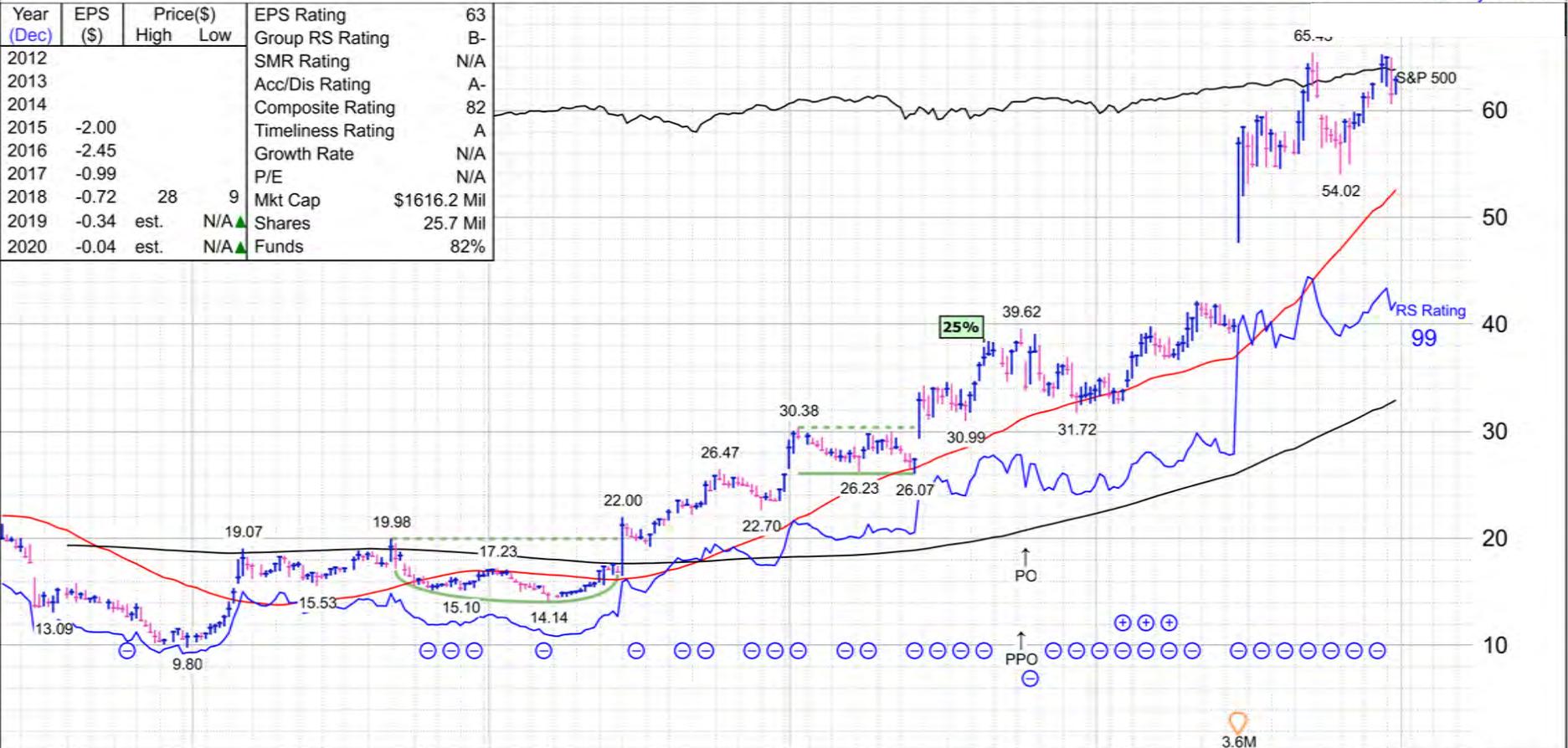
Volume 206,300

\$62.86 +1.35

DEVELOPS CARDLYTICS DIRECT, A PURCHASE INTELLIGENCE PLATFORM THAT HELP MARKETERS TO IDENTIFY THE BUYERS

www.cardlytics.com

Year (Dec)	EPS (\$)	Price(\$) High Low	EPS Rating	63
2012			Group RS Rating	B-
2013			SMR Rating	N/A
2014			Acc/Dis Rating	A-
2015	-2.00		Composite Rating	82
2016	-2.45		Timeliness Rating	A
2017	-0.99		Growth Rate	N/A
2018	-0.72	28 9	P/E	N/A
2019	-0.34	est. N/A	Mkt Cap	\$1616.2 Mil
2020	-0.04	est. N/A	Shares	25.7 Mil
			Funds	82%



December 31, 2018				March 31, 2019				June 30, 2019				September 30, 2019				EPS Due 3/5e
-0.06	vs	-0.13	N/A	-0.23	vs	-0.30	N/A	-0.12	vs	-0.21	N/A	0.03	vs	-0.15	#+120%	Earnings (\$)
47.8	vs	39.3	+22%	36.0	vs	32.7	+10%	48.7	vs	35.6	+37%	56.4	vs	34.6	+63%	Sales (\$Mil)
N/A			N/A	N/A			N/A	N/A			N/A	N/A			N/A	Div--P/E Range

SOFTWARE

Cardlytics Inc

Cardlytics Inc (CDLX) NASDAQ Computer Sftwr-Enterprise

Volume 669,500 \$62.86 -2.10

Options Yes
Short Interest 5.8 days -11%

Market Capitalization \$1616.2 Million
Shares in Float 14.7 Million
Shares Outstanding 25.7 Million

50-Day Avg Volume 528,600
Off 52-Week High -3.9%
52-Week Hi-Lo \$65.43-\$9.80

HEADQUARTERS: Atlanta, GA

PHONE: 888-798-5802

www.cardlytics.com

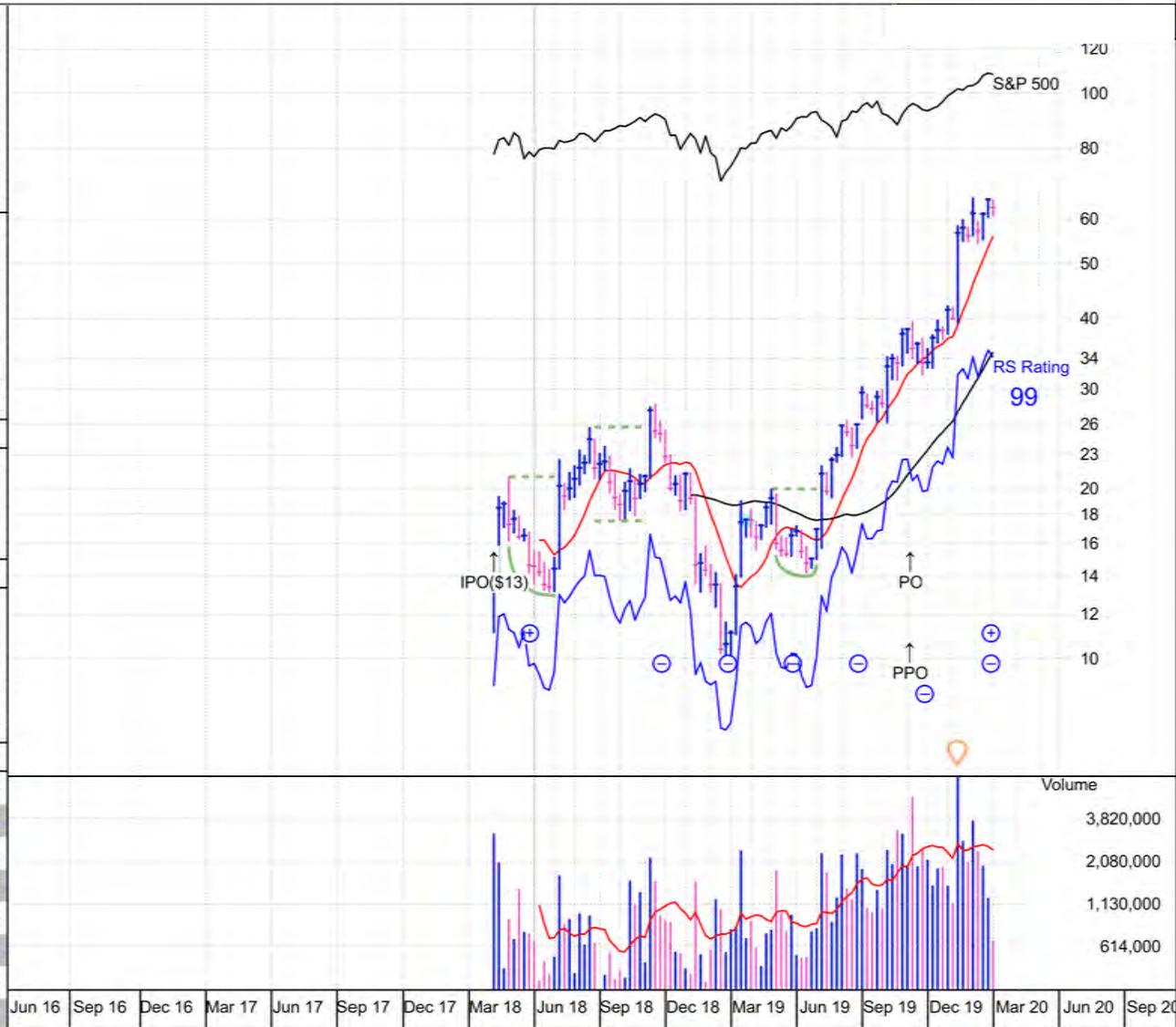
DEVELOPS CARDLYTICS DIRECT, A PURCHASE INTELLIGENCE PLATFORM THAT HELP MARKETERS TO IDENTIFY THE BUYERS

08/08/19 Expects 2019 revenues of \$180.0 mil to \$190.0 mil

IPO 2/09/2018

Year (Dec)	EPS (\$)	Price(\$) High Low	EPS Rating	63
2012			Group RS Rating	55
2013			SMR Rating	N/A
2014			Acc/Dis Rating	A-
2015	-2.00		Composite Rating	82
2016	-2.45		Timeliness Rating	A
2017	-0.99		Sponsorship Rating	D
2018	-0.72	28 9	EPS Growth Rate	N/A
2019	-0.34	est. N/A▲	Earnings Stability	N/A
2020	-0.04	est. N/A▲	P/E Ratio	N/A
			5-Year P/E Range	N/A
			Return on Equity	[N/A]
Yield	NONE		Cash Flow	\$-0.32
ExDiv	N/A		Debt 90%	Ownership
Book Value	X30.43		R&D 10.8%	Mgmt 22%
Inventory T/O	N/A		Alpha 0.64	Banks 0%
U/D Vol Ratio	1.4		Beta 1.17	Funds 82%
New CEO	N/A			
Top RS in Grp	Symbol	RS	EPS Rtg	No. of Funds
Model N	MODN	98	77	Dec-18 124
Shopify	SHOP	97	28	Mar-19 130
RingCentral A	RNG	96	94	Jun-19 132
Paycom	PAYC	95	98	Jun-19 132
Coupa Softwr	COUP	95	74	Sep-19 182

Quarterly	EPS(\$)	% Chg	Sales(\$Mil)	% Chg
Dec-17	-0.13	N/A	39.3	+8%
Mar-18	-0.30	N/A	32.7	+22%
Jun-18	-0.21	N/A	35.6	+8%
Sep-18	-0.15	N/A	34.6	+10%
Dec-18	-0.06	N/A	47.8	+22%
Mar-19	-0.23	N/A	36.0	+10%
Jun-19	-0.12	N/A	48.7	+37%
Sep-19	0.03	#+120%	56.4	+63%



Avalara Inc

Avalara Inc (AVLR) NYSE Comp Sftwr-Spec Enterprs

Volume 1,211,500 \$73.28 +0.29

Options Yes
Short Interest 2.3 days -1%

Market Capitalization \$5637.9 Million
Shares in Float 44.6 Million
Shares Outstanding 76.9 Million

50-Day Avg Volume 777,700
Off 52-Week High -22.3%
52-Week Hi-Lo \$94.31-\$30.04

HEADQUARTERS: Seattle, WA

PHONE: 206-826-4900

www.avalara.com

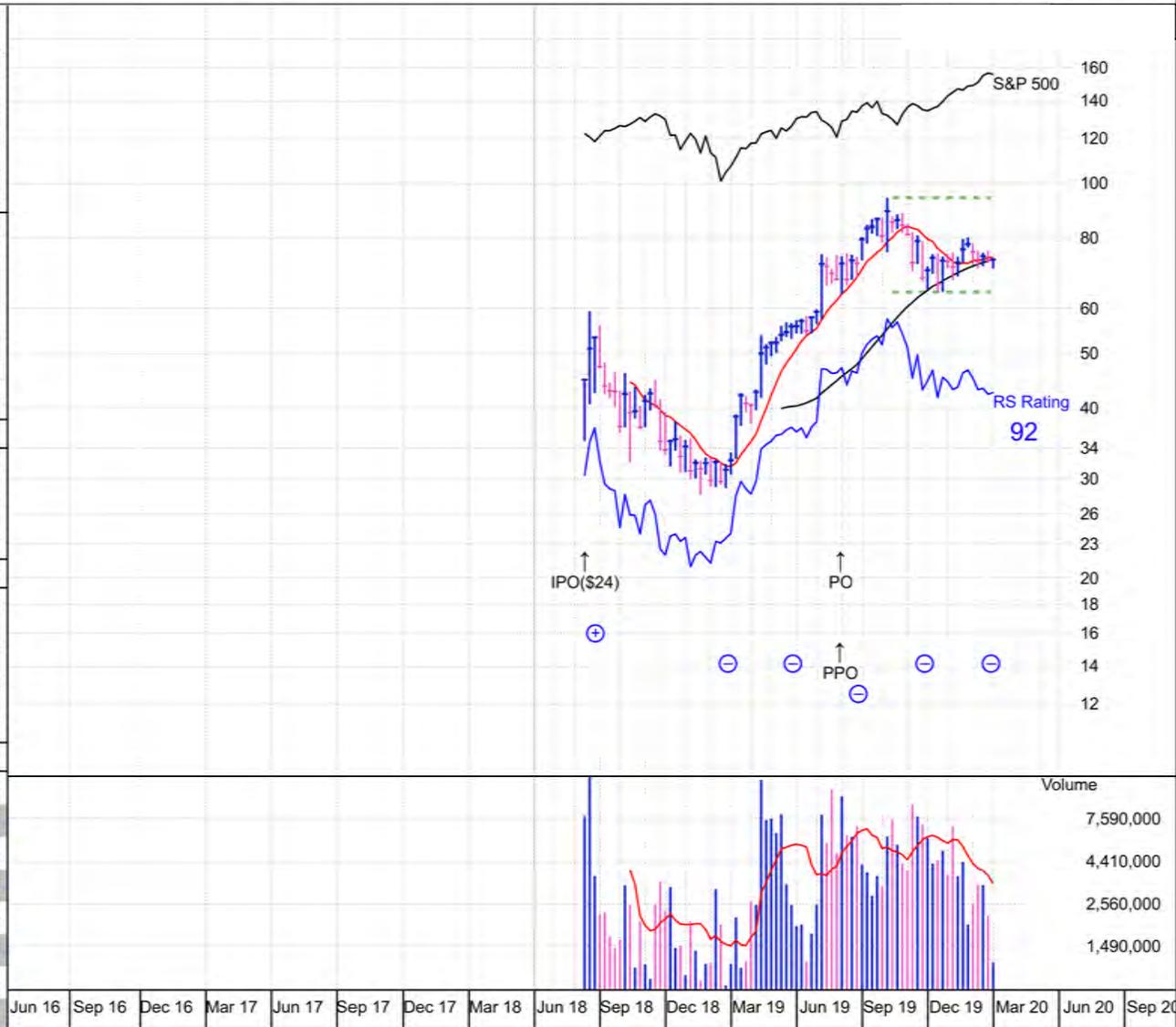
DEVELOPS CLOUD-BASED SOFTWARE SOLUTIONS DESIGNED TO IMPROVE ACCURACY AND EFFICIENCY BY AUTOMATING

12/04/19 Named Ross Tennenbaum CFO, effective March 31, 2020, replacing William Ingram who will retire

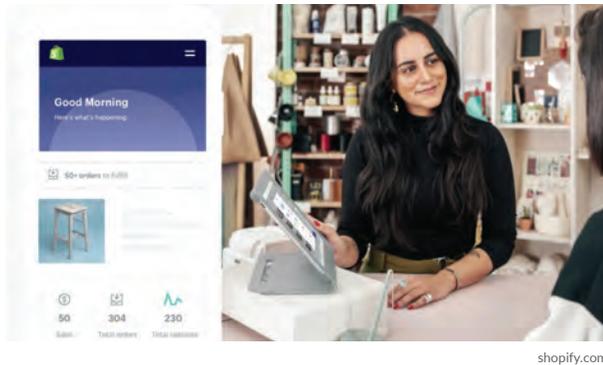
IPO 6/15/2018

Year (Dec)	EPS (\$)	Price(\$) High Low	EPS Rating	
2012			60	Group RS Rating 62
2013				SMR Rating D
2014				Acc/Dis Rating C+
2015	-1.18		69	Composite Rating
2016	-0.88			Timeliness Rating A
2017	-0.58			Sponsorship Rating B
2018	-0.68	59 28	N/A	EPS Growth Rate
2019	-0.14	est. N/A▲	N/A	Earnings Stability
2020	-0.13	est. N/A▼	N/A	P/E Ratio
				5-Year P/E Range
				Return on Equity [N/A]
Yield		NONE		Cash Flow \$-0.56
ExDiv		N/A		Debt 0%
Book Value		X50.85		R&D 19.1%
Inventory T/O		N/A		Alpha 0.21
U/D Vol Ratio		1.2		Beta 1.59
New CEO		N/A		
Top RS in Grp	Symbol	RS	EPS Rtg	No. of Funds
Ceridian	CDAY	95	61	Dec-18 168
Cloudera	CLDR	93	21	Mar-19 225
TylerTech	TYL	92	91	Jun-19 305
Appfolio	APPF	91	39	Sep-19 397
ClarivateAnlyt	CCC	86	23	

Quarterly	EPS(\$)	% Chg	Sales(\$Mil)	% Chg
Dec-17	-0.15	N/A	58.0	+22%
Mar-18	-0.16	N/A	61.4	+25%
Jun-18	-0.19	N/A	63.9	+26%
Sep-18	-0.14	N/A	69.9	+27%
Dec-18	-0.19	N/A	76.9	+33%
Mar-19	-0.01	N/A	85.0	+38%
Jun-19	-0.03	N/A	91.3	+43%
Sep-19	-0.01	N/A	98.5	+41%



Is This Fast-Growing E-Commerce Platform A Takeover Candidate?



Shopify (SHOP) is the IBD Stock Of The Day as the e-commerce platform provider gains in relative strength ahead of its earnings report on Feb. 12. Shopify stock briefly touched a buy point in intraday trading on Tuesday.

Shopify sets up e-commerce websites for small businesses, and partners with others to handle digital payments and shipping. It also offers customer relationship management software so businesses can do targeted marketing for their clients.

The stock has a strong Relative Strength Rating of 95 out of a best-possible 99. The relative strength line tracks a stock's performance vs. the S&P 500 index. A rising line points to outperformance.

Shares in Shopify have clawed back from a mid-December sell-off, when the Canada-based company announced its second equity capital offering within 12 months to raise cash.

Shopify stock edged up to close at 173.60 on the stock market today. On Tuesday, the stock climbed to 176.88 in intraday trading before closing lower. Shopify has an entry point of 176.70.

Some analysts view Shopify as a takeover candidate.

Shopify A Match For Stripe?

"We believe the commerce platforms like Shopify, **Etsy (ETSY)**, and **Wix.com (WIX)** may consolidate with the merchant acquirers," MoffettNathanson analyst Lisa Ellis told Investor's Business Daily in an email.

She said privately held Stripe or **PayPal Holdings (PYPL)** loom as a buyer of Shopify or the other commerce platforms.

"Those businesses are highly complementary, and by merging can better help retailers — particularly small businesses — compete with **Amazon.com (AMZN)**," she said.

Online payments company Stripe recently secured \$100 million in venture capital funding at a company valuation of \$22.5 billion. Stripe creates payment tools designed to help e-commerce companies and other clients conduct secure transactions.

Shopify reports earnings before the market open on Feb. 12. For the December quarter, analysts estimate Shopify will report earnings of 21 cents a share, up 33% from a year earlier. They predict revenue will surge 47% to \$327.5 million.

Shopify Moves Into Film, TV Production

Aside from earnings and revenue growth, one financial metric key to Shopify's stock performance has been gross payments volume, or GPV. GPV is tied to customer growth and online transactions.

In the September quarter, GPV jumped 71%, up from 64% in the June quarter.

"Shopify gives investors exposure to multiple attractive investment themes — small- and medium-sized businesses moving online, secular growth of e-commerce, and larger merchants moving to the cloud," Jefferies analyst Samad Samana said in a report to clients.

Samana initiated coverage on Shopify in October with a hold rating.

"On the fundamental side, the year-over-year decline in net new monthly recurring revenue (MRR) and the slowdown in net new Shopify Plus customer adds concern us," he said.

Monthly fees for using the Shopify platform range from \$29 for small entrepreneurs using the basic package, to \$2,000 or more for Shopify Plus customers.

In January, Shopify surprised analysts by announcing a move into TV and film production. The company launched Shopify Studios, which aims to develop, finance and produce projects for networks and streaming platforms.

Adapted from an article published on February 6, 2019 in Investor's Business Daily.

Shopify Inc

Shopify Inc Cl A (SHOP) NYSE Computer Sftwr-Enterprse

Volume 2,918,200 \$397.62 -10.38

Options Yes
Short Interest 2.0 days +13%

Market Capitalization \$44.74 Bil(\$39.75 Bil)
Shares in Float 99.3 Million
Shares Outstanding 112.5 Mil(100.3 Mil)

50-Day Avg Volume 2,310,100
Off 52-Week High -4.6%
52-Week Hi-Lo \$416.60-\$129.42

HEADQUARTERS: Ottawa, ON

PHONE: 613-241-2828

www.shopify.com

PROVIDES CLOUD-BASED COMMERCE PLATFORM FOR SMALL AND MEDIUMSIZED BUSINESSES VIA SUBSCRIPTION AND MERCHANT SOLUTION

10/29/19 Expects 2019 revenues of \$1.545 bil to \$1.555 bil.

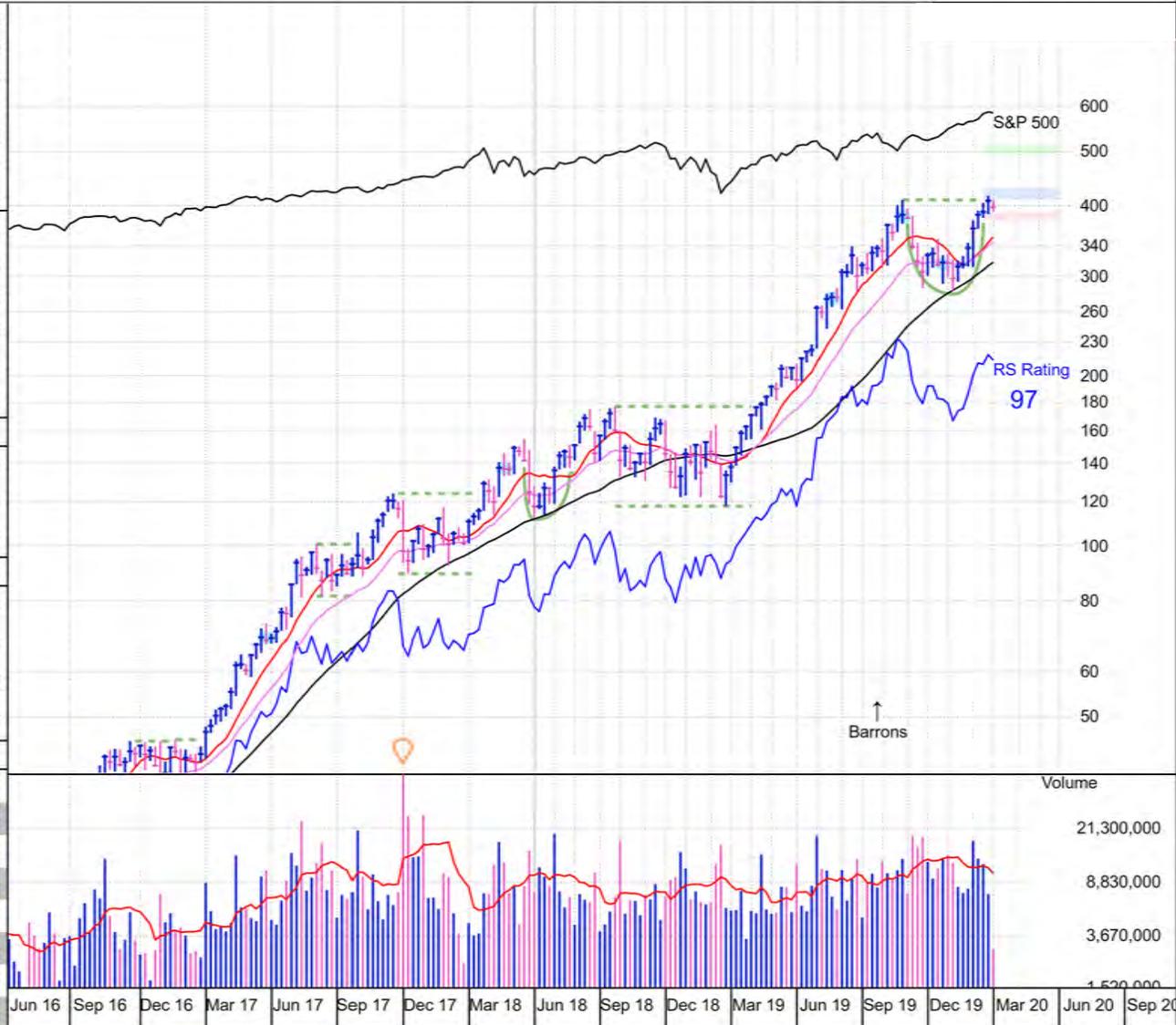
IPO 5/21/2015

Year (Dec)	EPS (C\$)	Price(\$) High Low	EPS Rating	
2012	-0.02		Group RS Rating	28
2013	-0.06		SMR Rating	55
2014	-0.21		Acc/Dis Rating	C
2015	-0.09	42 12	Composite Rating	B+
2016	-0.12	45 18	Timeliness Rating	C
2017	0.15	123 42	Sponsorship Rating	B
2018	0.38	176 100	EPS Growth Rate	N/A
2019	0.19	est. -50%▼	Earnings Stability	N/A
2020	0.92	est. 384%▼	P/E Ratio	999 (82.6 X SP)
			5-Year P/E Range	316-999

Yield	NONE	Return on Equity	3%
ExDiv	N/A	Cash Flow	\$0.60
Book Value	X21.33	Debt	1%
Inventory T/O	N/A	R&D	21.5%
U/D Vol Ratio	1.1	Alpha	0.29
New CEO	N/A	Beta	1.49

Top RS in Grp	Symbol	RS	EPS Rtg	No. of Funds
Cardlytics	CDLX	99	63	Dec-18 844
Model N	MODN	98	77	Mar-19 899
RingCentral A	RNG	96	94	Jun-19 972
Paycom	PAYC	95	98	Jun-19 972
Coupa Sftwr	COUP	95	74	Sep-19 1041

Quarterly	EPS(C\$)	% Chg	Sales(C\$Mil)	% Chg
Dec-17	0.15	#+999%	222.8	+71%
Mar-18	0.04	#+200%	214.3	+68%
Jun-18	0.02	#+300%	245.0	+62%
Sep-18	0.04	-20%	270.1	+58%
Dec-18	0.26	+73%	343.9	+54%
Mar-19	0.09	+125%	320.5	+50%
Jun-19	0.14	+600%	362.0	+48%
Sep-19	-0.25	N/A	390.6	+45%



Quotes delayed 20 minutes. Ownership and Estimate data provided by Thomson Reuters. reachus@marketsmith.com © 2019 MarketSmith, Incorporated.

12.31.2019

Coupa Stock: Relative Strength Shines



coupa.com

Coupa Software (COUP) is the IBD Stock of the Day as the maker of business spending management software touts a relative strength line holding at new highs amid recent stock market volatility. Coupa stock trades about 6% below its potential entry point, though there may be alternative buy opportunities.

Coupa's software products cover employee travel and expense management, procurement and invoicing. It's among a number of financial technology stocks to watch.

From a technical view, Coupa stock boasts an ascending base chart pattern that's tight along its 50-day and 10-week moving average lines.

From a fundamental view, Coupa is expected to swing to a 10-cent loss in the current July quarter. Analysts also project that adjusted earnings per share will fall to 11 cents in fiscal 2020 from 18 cents a year earlier. In fiscal 2021, analysts see EPS rebounding to 41 cents.

Coupa has been investing in new products, crimping profits in the near term. In November, it rolled out Coupa Pay, a business-to-business payment and financing product.

Coupa Expands Into Payments

Coupa Pay enables companies to pay contractors, vendors and employees and provides cash-flow management. At

the company's annual user conference in June, Coupa Pay held the spotlight.

The software maker announced new partnerships involving Coupa Pay with Citibank, PayPal Holdings (PYPL) and startup Stripe. Coupa also said it will work with TransferMate for bank transfers and cross-border payments.

"Partners are excited about the possibilities Coupa Pay offers, although they are still in the early discovery phases of how to bring the product to market," Morgan Stanley analyst Stan Zlotzky said in a recent note to clients.

At the user conference, Coupa also unveiled "Digital Checks." The product enables customers to send check images to an email address as a document. As a result, customers no longer need to put a check in the mail.

Meanwhile, Coupa recently acquired a startup with artificial-intelligence tools. Many fast-growing companies aim to get a competitive edge using AI technology.

In April Coupa bought Exari, a provider of contract management software, for about \$215 million in cash. The software maker expects Exari to contribute around \$25 million in revenue in fiscal 2021.

Coupa Stock: The Technical View

From a technical view, Coupa's relative strength line is holding near highs. The RS line measures a stock's price performance vs. the S&P 500.

Typically, the strongest stocks' relative strength lines are either confirming or leading a stock's price into new high ground. The RS line is in blue in all IBD stock charts.

Coupa's daily chart shows an ascending base with a 148.10 buy point. Due to its tight pricing around the 50-day and 10-week lines, more aggressive investors may find an alternative entry if shares break past Monday's intraday high of 140.99. Coupa stock climbed 2.2% to close at 139.38 Tuesday.

An ascending base has three pullbacks, each ranging from 10% to 20%. Each pullback must mark a higher high and a higher low. An ascending base is a rare pattern

Adapted from an article published on August 20, 2019 in *Investor's Business Daily*.

Coupa Software

Coupa Software Inc (COUP) NASDAQ Computer Sftwr-Enterprise

Volume 2,364,500 \$146.25 -4.66

Options No
Short Interest 7.2 days +8%

Market Capitalization \$9330.5 Million
Shares in Float 60.0 Million
Shares Outstanding 63.8 Million

50-Day Avg Volume 1,640,200
Off 52-Week High -8.6%
52-Week Hi-Lo \$159.97-\$58.28

HEADQUARTERS: San Mateo, CA

PHONE: 650-931-3200

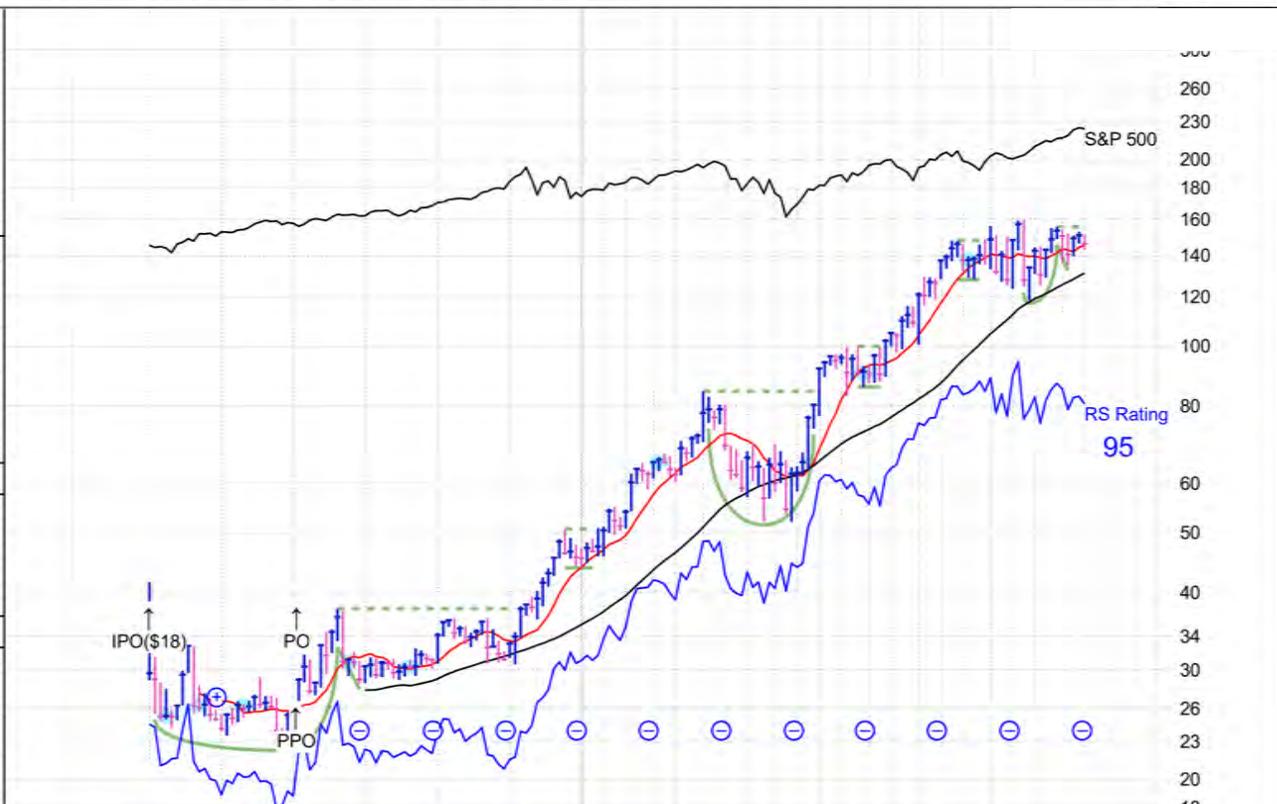
www.coupa.com

DEVELOPS CLOUD-BASED SPEND MANAGEMENT PLATFORM THAT CONNECTS SEVERAL ORGANIZATIONS

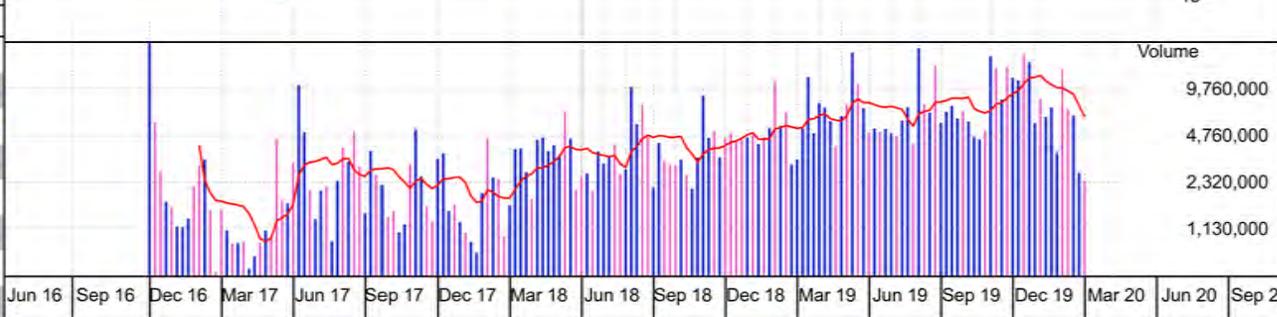
12/02/19 Expects Q4 FY20 non-GAAP earnings of \$0.03 to \$0.06 per diluted share on revenues of \$101.5 mil to \$102.5 mil

IPO 10/06/2016

Year (Jan)	EPS (\$)	Price(\$) High Low	EPS Rating	74
2013			Group RS Rating	55
2014			SMR Rating	C
2015	-0.55 ▲		Acc/Dis Rating	D+
2016	-0.89 ▲	41 24	Composite Rating	83
2017	-0.56	37 22	Timeliness Rating	A
2018	-0.21	84 30	Sponsorship Rating	B
2019	0.18	159 58	EPS Growth Rate	N/A
2020	0.36 est.	100% ▲	Earnings Stability	N/A
2021	0.47 est.	31% ▲	P/E Ratio	419 (21.0 X SP)
			5-Year P/E Range	357-999
Yield	NONE		Return on Equity	4%
ExDiv	N/A		Cash Flow	\$0.32
Book Value	X29.88		Debt	0%
Inventory T/O	N/A		R&D	23.7%
U/D Vol Ratio	1.4		Alpha	0.17
New CEO	N/A		Beta	1.93
Top RS in Grp	Symbol	RS	EPS Rtg	No. of Funds
Cardlytics	CDLX	99	63	Dec-18 365
Model N	MODN	98	77	Mar-19 432
Shopify	SHOP	97	28	Jun-19 514
RingCentral A	RNG	96	94	Jun-19 514
Paycom	PAYC	95	98	Sep-19 590



Quarterly	EPS(\$)	% Chg	Sales(\$Mil)	% Chg
Jan-18	0.02	#+140%	53.8	+41%
Apr-18	-0.01	N/A	56.4	+37%
Jul-18	0.05	#+150%	61.7	+38%
Oct-18	0.08	#+260%	67.5	+43%
Jan-19	0.05	+150%	74.9	+39%
Apr-19	0.03	#+400%	81.3	+44%
Jul-19	0.07	+40%	95.1	+54%
Oct-19	0.20	+150%	101.8	+51%



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12.31.2019

Anaplan Inc

Anaplan Inc (PLAN) NYSE Computer Sftwr-Enterprise

Options Yes
Short Interest 4.1 days +30%

Market Capitalization \$7003.9 Million
Shares in Float 82.8 Million
Shares Outstanding 133.6 Million

Volume 4,119,000 \$52.42 -0.21
50-Day Avg Volume 2,380,200
Off 52-Week High -13.2%
52-Week Hi-Lo \$60.36-\$23.78

HEADQUARTERS: San Francisco, CA

PHONE: 415-742-8199

www.anaplan.com

PROVIDES CLOUD-BASED PLANNING PLATFORM THAT HELPS TO CONNECT ORGANIZATIONS AND PEOPLE TO MAKE DECISIONS.

11/21/19 Expects Q4 FY20 revenues of \$96.5 mil to \$97.5 mil.

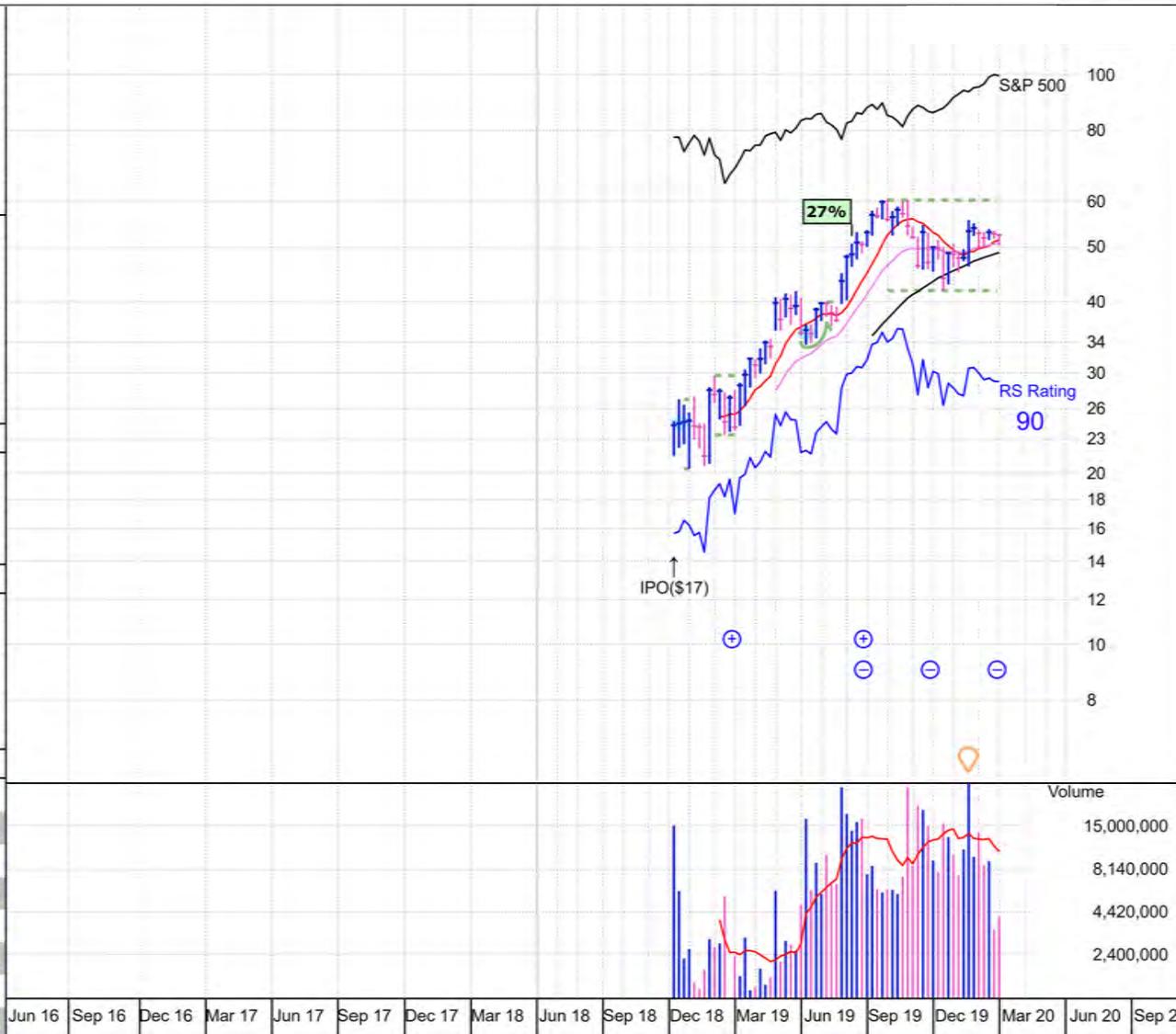
IPO 10/12/2018

Year (Jan)	EPS (\$)	Price(\$) High Low	EPS Rating	
2013			Group RS Rating	55
2014			SMR Rating	D
2015			Acc/Dis Rating	C
2016	-0.44		Composite Rating	60
2017	-0.32		Timeliness Rating	A
2018	-0.34	29 20	Sponsorship Rating	B
2019	-0.62	60 23	EPS Growth Rate	N/A
2020	-0.48	est. N/A▲	Earnings Stability	N/A
2021	-0.44	est. N/A▲	P/E Ratio	N/A
			5-Year P/E Range	N/A

Yield	NONE	Return on Equity	[N/A]
ExDiv	N/A	Cash Flow	-\$0.42
Book Value	X22.27	Debt	0%
Inventory T/O	N/A	R&D	20.4%
U/D Vol Ratio	2.4	Alpha	0.14
New CEO	N/A	Beta	1.65

Top RS in Grp	Symbol	RS	EPS Rtg	No. of Funds
Cardlytics	CDLX	99	63	Dec-18 152
Model N	MODN	98	77	Mar-19 188
Shopify	SHOP	97	28	Jun-19 274
RingCentral A	RNG	96	94	Jun-19 274
Paycom	PAYC	95	98	Sep-19 296

Quarterly	EPS(\$)	% Chg	Sales(\$Mil)	% Chg
Jan-18	-0.13	N/A	46.3	+54%
Apr-18	-0.19	N/A	51.6	+40%
Jul-18	-0.15	N/A	57.8	+41%
Oct-18	-0.15	N/A	62.0	+40%
Jan-19	-0.13	N/A	69.3	+49%
Apr-19	-0.16	N/A	75.8	+47%
Jul-19	-0.12	N/A	84.5	+46%
Oct-19	-0.08	N/A	89.4	+44%



This Billionaire CEO Shows You How To Spot Profitable Trends First



Zadorozhnyi Viktor/Shutterstock.com

Chad Richison spots what's trending with customers — even before they do. And he does it before his rivals notice.

A first-mover mentality guides winning entrepreneurs and is a foundation of success, says Richison, CEO and founder of human resources software innovator Paycom (PAYC). It's a skill you can learn, too.

He should know. Before founding one of the nation's fastest-growing software companies and becoming a billionaire, Richison learned the value of zeroing in on what's trending in business. Richison, 48, took a job after college in the mid-90s with an entrenched payroll and human resources company. He quickly found the problems that were holding the HR industry back — and had a clear vision to fix them.

His discovery? Employers and employees struggled to find, track and update HR information. What's worse, payroll data, time-off requests, attendance records, benefits files, tax-withholding forms and employee reviews were scattered all over. The status quo, he concluded, was inefficient, error-prone and in need of repair. Worse, it was far from user-friendly. Fixing it was a massive opportunity. He grabbed it.

"I noticed early on that people really didn't have access to the information," Richison told *Investor's Business Daily*.

"In the '90s, you had one or two people in payroll that knew the system, and you had to call them." There had to be a better way.

Chad Richison: Find New Ways To Solve Old Problems

Richison's observation set his success in motion. At just age 27, the Oklahoma native founded Paycom in 1998, one of the nation's first 100% web-based payroll companies. His idea is now one of the world's fastest-growing companies. Revenue at Paycom last year jumped 31% to \$566 million. And the company ran payroll for more than 23,500 clients nationwide by the end of 2018.

Since going public at 15 per share in April 2014, Paycom's stock soared more than 1,400% to roughly 230 a share. Paycom is currently No. 7 on the IBD 50, a watchlist of market-leading growth stocks.

Seeing trends others missed also turned Richison into a billionaire (*Forbes* pegs his net worth at \$2 billion) and one of the nation's highest-rated CEOs with employees. All because he found out how to put all of a company's HR data on the internet in a single, easy-to-access database.

"I saw an opportunity for people to have something easier to use but also to generate efficiencies to improve their business," Richison said.

Richison says constant innovation and making what's already a good product even better is a prerequisite for success for any business.

"What drives the innovation is competition," Richison said. "We want to be the best solution for our clients and are always looking at how it can be better, not how great it is. For me, it is not what has been built, but what's left to be built."

Put Numbers On Success

Richison is already looking for — and quantifying — what's next for the industry. This time it's allowing employees

more freedom to input and manage their own HR data. This would liberate businesses to do more strategic and value-added work rather than paper-intensive administrative stuff.

Richison said in today's internet-connected world there's no need for HR managers or payroll and recruitment staff to type in employee data. Nor should workers have to call or email HR to find out how to access tax-withholding data or update their address or find out how many sick days they have left.

Paycom's goal is for 100% employee engagement and usage with its database.

"No one calls a bank anymore to void a check or transfer money, and we don't email an airline to buy a plane ticket or book a table for dinner over the phone," Richison said. "Everywhere else in your life you have a direct relationship with a database except at work."

Know That 99.99% Isn't Good Enough

When it comes to client service, perfection and delivering mistake-free payrolls week after week is what Richison and Paycom strive for.

"If we do it with 99.99% accuracy, we get an F," Richison said. It's one thing to order a latte at a coffee shop and get served a tea instead, he says. And quite another thing for a payroll company to make a mistake.

"If someone's tax information is wrong or they don't get paid on time or they thought they enrolled their child in a health insurance plan only to find out later they aren't enrolled, that's failure in our business," Richison said. "It has to be 100% accurate."

Adapted from an article published on August 8, 2019 in *Investor's Business Daily*.

Paycom Software Inc

Paycom Software Inc (PAYC) NYSE Computer Sftwr-Enterprise

Volume 796,000 \$264.80 -4.09

Options Yes
Short Interest 3.8 days -9%

Market Capitalization \$15.46 Billion
Shares in Float 48.5 Million
Shares Outstanding 58.4 Million

50-Day Avg Volume 558,500
Off 52-Week High -5.4%
52-Week Hi-Lo \$279.95-\$115.03

HEADQUARTERS: Oklahoma City, OK

PHONE: 405-722-6900

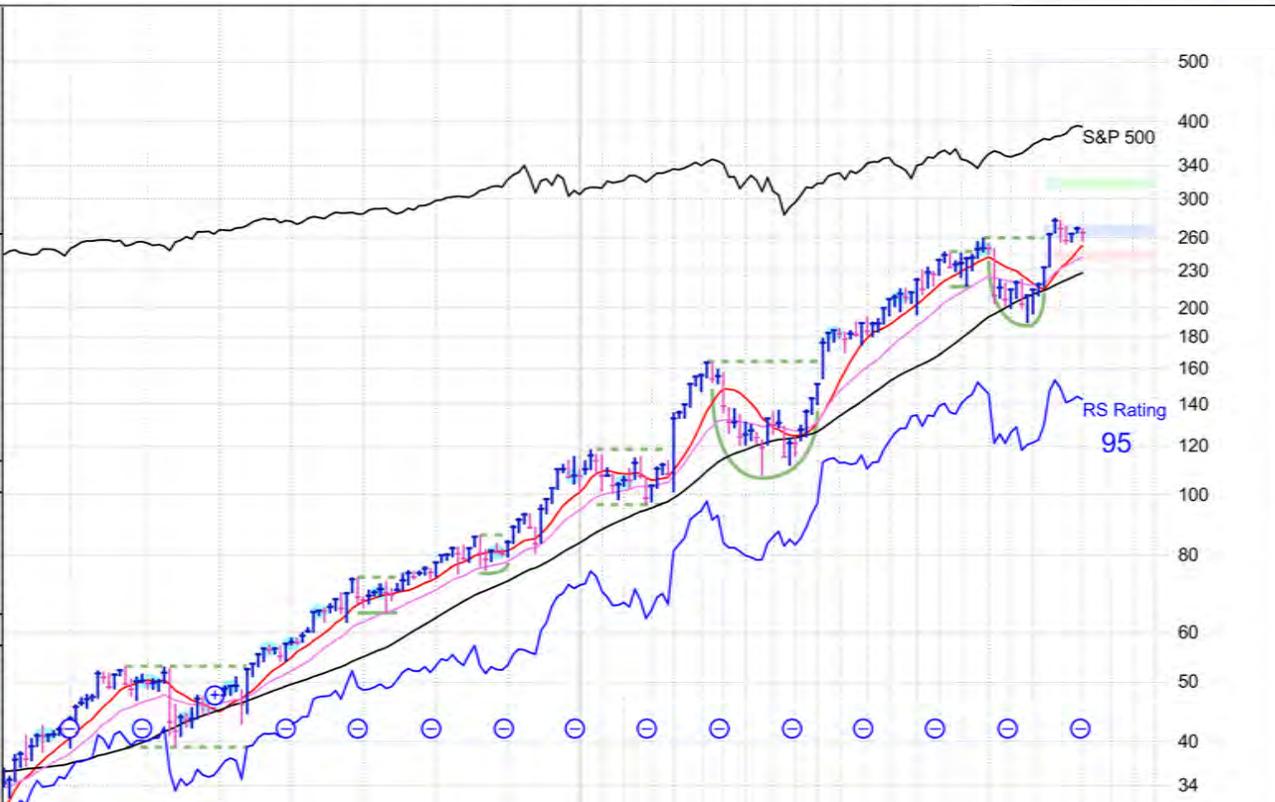
www.paycom.com

PROVIDES CLOUD-BASED HUMAN CAPITAL SOFTWARE THAT MANAGES EMPLOYMENT LIFE CYCLE FOR EMPLOYERS.

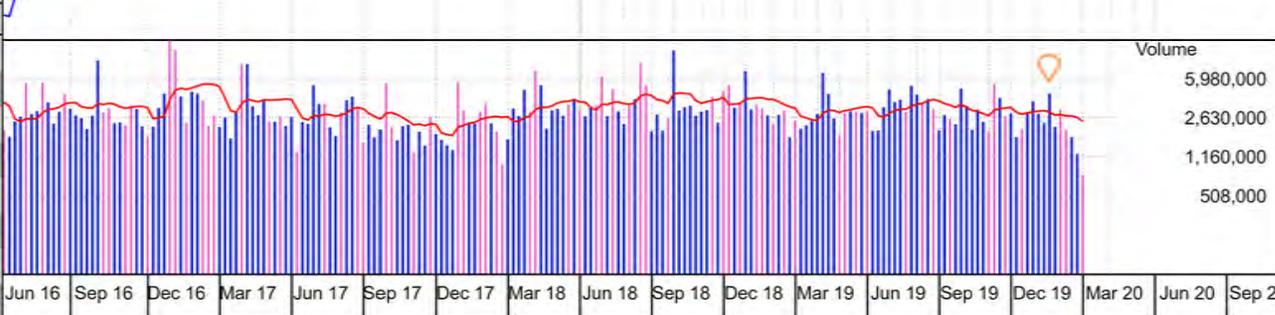
10/29/19 Expects Q4 2019 adjusted EBITDA of \$72.0 mil to \$74.0 mil

IPO 4/15/2014

Year (Dec)	EPS (\$)	Price(\$) High Low	EPS Rating	98
2012	0.08		Group RS Rating	55
2013	0.05		SMR Rating	A
2014	0.18	29 12	Acc/Dis Rating	B
2015	0.40	46 22	Composite Rating	99
2016	0.87	52 22	Timeliness Rating	A
2017	1.83	86 42	Sponsorship Rating	B
2018	2.67	164 79	EPS Growth Rate	91%
2019	3.42	est. 28%▲	Earnings Stability	24
2020	4.29	est. 25%▲	P/E Ratio	81 (4.1 X SP)
			5-Year P/E Range	36-133
			Return on Equity	51%
			Cash Flow	\$3.23
Yield	NONE		Debt	10%
ExDiv	N/A		R&D	8.2%
Book Value	X45.78		Alpha	0.17
Inventory T/O	637.77X		Beta	1.47
U/D Vol Ratio	2.3			
New CEO	N/A			
Top RS in Grp	Symbol	RS	EPS Rtg	No. of Funds
Cardlytics	CDLX	99	63	Dec-18 465
Model N	MODN	98	77	Mar-19 524
Shopify	SHOP	97	28	Jun-19 798
RingCentral A	RNG	96	94	Jun-19 798
Coupa Softwr	COUP	95	74	Sep-19 874



Quarterly	EPS(\$)	% Chg	Sales(\$Mil)	% Chg
Dec-17	0.49	+172%	114.0	+30%
Mar-18	0.95	+56%	153.9	+29%
Jun-18	0.59	+69%	128.8	+31%
Sep-18	0.52	+33%	133.3	+32%
Dec-18	0.61	+24%	150.3	+32%
Mar-19	1.19	+25%	199.9	+30%
Jun-19	0.75	+27%	169.3	+31%
Sep-19	0.70	+35%	175.0	+31%



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12.31.2019

Zscaler Stock Thrives As Firm Takes Aim At Hackers On The Cloud



Michael Vi/Shutterstock.com

As businesses move their data centers to the cloud and expand their use of mobile devices, companies like **Zscaler (ZS)** are providing web security for cloud operations and distributed computing platforms that are rising to prominence. As a leader in this field, Zscaler stock is thriving as a result.

Motivated by financial, criminal or terrorist objectives, hackers today exploit the gaps left by older network security approaches with increasingly sophisticated and evolving threats.

The emergence of startups like Zscaler revolves around several technology trends that raise the profile of cybersecurity companies. One is the development of cloud computing. Another is the evolution in how data are distributed and stored. A third critical factor: the emergence of smartphones, tablets and other devices.

Also crucial are the multitude of networked electronic devices linked to the internet. These include cameras, sensors, smart-home devices, appliances, Wi-Fi units, smart speakers and more. There's also a major trend referred to as the Internet of Things.

As a result, the combination has greatly expanded the amount of targets a hacker can go after.

Zscaler's Competitive Advantage

Zscaler launched in 2008, during the early days of cloud adoption and distributed networks. As the cloud became the new data center and traditional security solutions provided inadequate protection, Zscaler set out to design software to securely connect users to applications from any device, anywhere. This includes the public cloud and software-as-a-service apps.

"While network security stalwarts such as **Palo Alto Networks (PANW)** and **Cisco (CSCO)** are taking aim at this market, Zscaler has built a massive technology advantage and a competitive moat that we view as very defensible, despite the constant noise as well as skeptics around the name," Wedbush analyst Daniel Ives wrote in a recent note to clients.

Zscaler held its initial public offering in 2018, pricing shares at 16 and raising \$192 million. The stock more than doubled on its first day of trading and continues to climb.

"While the valuation is lofty and the stock will continue to grow into its multiple over the coming years, we believe that Zscaler could double its market opportunity over the next three years," Ives wrote. He has a rating of outperform and price target of 87 on Zscaler stock, which currently trades near 84.

Zscaler Stock In Buy Range

Zscaler stock is currently in a buy-zone range of 82.35 to 86.47. It recently pierced the 82.35 buy point when it came out of a three-weeks-tight pattern. That pattern recently formed while the stock was in the middle of a rare ascending base, a potentially lucrative signal.

Zscaler reported its fiscal third-quarter earnings on May 30, beating analyst estimates amid high expectations. Revenue jumped 61% from the year-ago period to \$79 million. It was the 15th straight quarter of double-digit revenue growth. Zscaler has been profitable for three straight quarters, ending a long string of losses.

For the current quarter, Zscaler expects revenue of about \$82 million, up 46%, and remaining profitable.

"We believe we are in the early innings of a significant market opportunity to disrupt traditional network security," Zscaler Chief Executive Jay Chaudhry said during the company's conference call with analysts after the earnings report. "We believe the market is coming to us."

This year, global spending on cybersecurity is expected to surge 8.7% to \$124 billion, research firm Gartner says.

In early June, Piper Jaffray called Zscaler one of its top picks for 2019 along with **Proofpoint (PFPT)** and **SailPoint (SAIL)**. The brokerage commented that Zscaler boasts best-of-breed cloud-security architecture. Meanwhile, Credit Suisse named Zscaler the "cloud transformation winner" on June 20.

Leadership In Its Field

The IBD Stock Checkup Tool gives Zscaler an IBD Composite Rating of 96 out of a best-possible 99. That means the stock ranks higher than 96% of all stocks in terms of key performance metrics and technical strength. It has a Relative Strength Rating of 98, a reflection of strong stock market performance.

Moreover, Zscaler has an EPS Rating of 76, which compares quarterly and annual earnings-per-share growth to all other stocks.

The relative strength line, which compares a stock's price performance to the general market, is holding near highs. It indicates strong stock market outperformance.

Adapted from an article published on July 12, 2019 in Investor's Business Daily.

Zscaler Inc

Zscaler Inc (ZS) NASDAQ Computer Sftwr-Security

Options Yes
Short Interest 6.2 days +5%

Market Capitalization \$5950.0 Million
Shares in Float 66.5 Million
Shares Outstanding 128.0 Million

Volume 2,725,700 \$46.50 -1.11
50-Day Avg Volume 2,348,000
Off 52-Week High -48.1%
52-Week Hi-Lo \$89.54-\$37.73

HEADQUARTERS: San Jose, CA

PHONE: 408-533-0288

www.zscaler.com

OPERATES A MASSIVE, GLOBAL CLOUD SECURITY ARCHITECTURE, DELIVERING THE ENTIRE GATEWAY SECURITY STACK

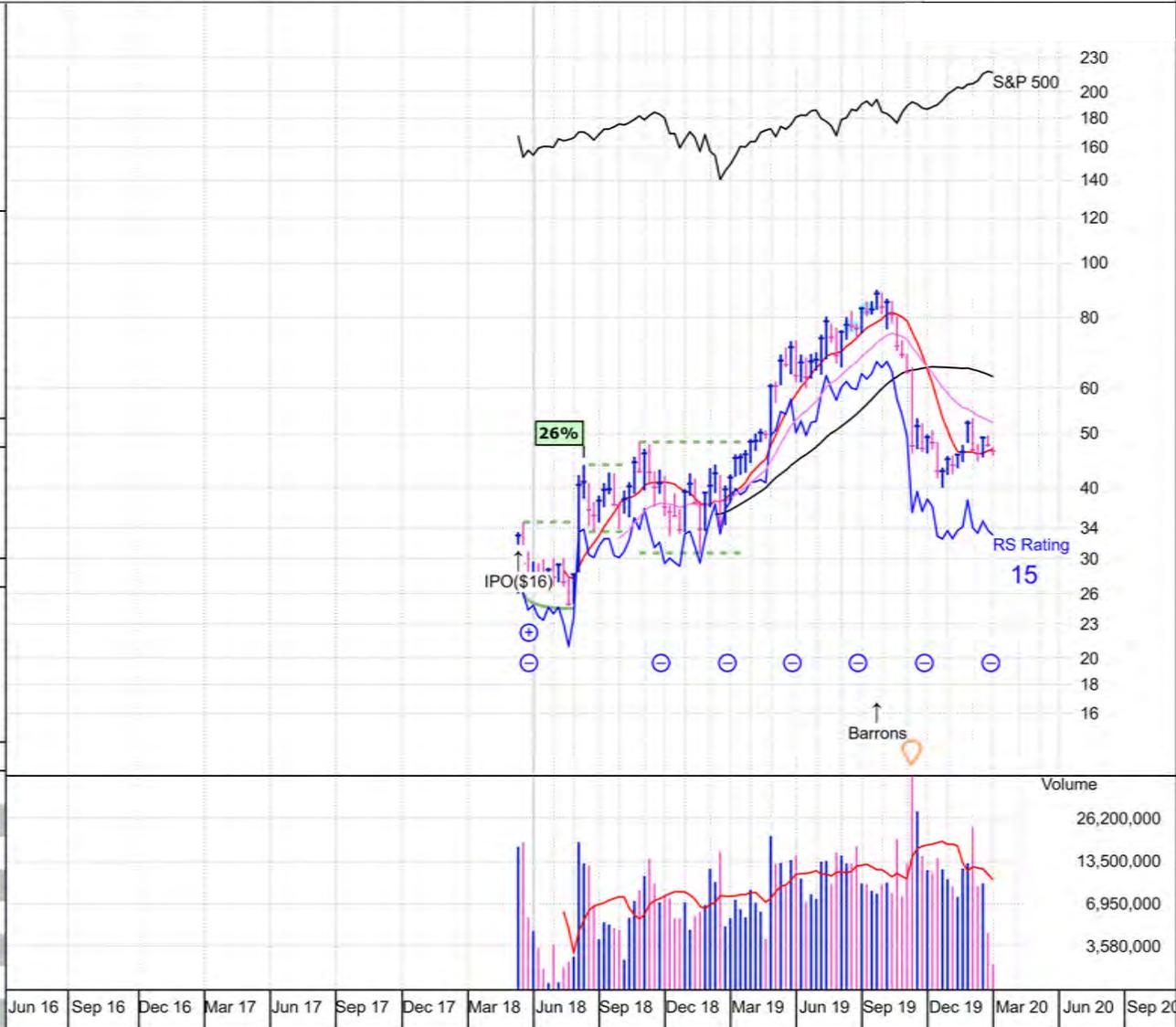
12/03/19 Expects FY20 non-GAAP earnings of about \$0.13 to \$0.15 per share on revenues of \$405 mil to \$413 mil

IPO 3/16/2018

Year (Jul)	EPS (\$)	Price(\$) High Low	EPS Rating	75
2013			Group RS Rating	27
2014			SMR Rating	B
2015	-0.11		Acc/Dis Rating	B-
2016	-0.23		Composite Rating	41
2017	-0.26		Timeliness Rating	D
2018	-0.23	48 24	Sponsorship Rating	B
2019	0.24	89 37	EPS Growth Rate	N/A
2020	0.15	est. -38%▲	Earnings Stability	N/A
2021	0.29	est. 93%▲	P/E Ratio	194 (9.7 X SP)
Yield	NONE		5-Year P/E Range	174-999
ExDiv	N/A		Return on Equity	11%
Book Value	X19.28		Cash Flow	\$0.45
Inventory T/O	N/A		Debt	0%
U/D Vol Ratio	1.1		Ownership	
New CEO	N/A		R&D	20.5%
			Alpha	-0.04
			Beta	1.61

Top RS in Grp	Symbol	RS	EPS Rtg	No. of Funds
Fortinet	FTNT	93	99	Dec-18 249
PingIdentity	PING	91	80	Mar-19 322
Rapid7	RPD	89	77	Jun-19 405
Okta A	OKTA	89	20	Jun-19 405
NiceLtdAds	NICE	82	88	Sep-19 402

Quarterly	EPS(\$)	% Chg	Sales(\$Mil)	% Chg
Jan-18	-0.05	N/A	45.0	+53%
Apr-18	-0.04	N/A	49.2	+49%
Jul-18	-0.01	N/A	56.2	+54%
Oct-18	0.02	+133%	63.3	+59%
Jan-19	0.09	#+280%	74.3	+65%
Apr-19	0.05	#+225%	79.1	+61%
Jul-19	0.07	#+800%	86.1	+53%
Oct-19	0.03	+50%	93.6	+48%



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12.31.2019

Okta CEO Todd McKinnon Shines Spotlight On Unsung Heroes



Sundry Photography/Shutterstock.com

Shuffling through airport security several years ago, Todd McKinnon found himself under suspicion. Officials spotted a handful of skateboard ball bearings in his backpack and questioned him.

It took repeated explaining before he convinced TSA agents to let him board the flight. They finally understood why a passenger would carry such strange cargo onto a plane. And they found McKinnon wasn't trying to sneak other, forbidden metal objects along for the ride.

McKinnon's alarm-raising carry-on was actually an employee motivational tool. As chief executive of **Okta (OKTA)**, a cloud-based identity management platform, McKinnon was returning from a business trip to the company's San Francisco headquarters to present a unique award to support-level personnel for their outstanding work.

And McKinnon's style of recognizing employees for their superior performance is paying off. The decade-old firm is already valued at more than \$12 billion. And Okta, which offers digital security systems to companies, has seen shares rocket nearly 360% since their first day of trading in 2017. That blasts past the S&P 500's roughly 30% gain during that time. Revenue has soared more than 1,000% since 2014 to roughly \$400 million last year. That works out to a nearly 80% average annual growth rate.

How do you keep a fast-growth company on track? McKinnon offers several suggestions:

Okta CEO: Applaud Star Employees

Soon after co-founding Okta in 2009, McKinnon launched a workforce recognition program that's fondly known within the firm as the Ball Bearing Awards. He seeks to applaud under-the-radar staffers who play a vital role in Okta's success. Why ball bearings? They are critical but easy-to-overlook components that enable machines to operate smoothly.

After Okta's HR team reviews nominations of potential recipients, as many as 10 winners take center stage every quarter at a regularly scheduled all-hands meeting to accept ball bearings (now redesigned as an acrylic trophy) for their previously unsung efforts. Rank-and-file contributors ranging from business analysts to software engineers shine in the spotlight.

"When you get to shake Todd's hand in front of the whole company, it means a lot to them," said Angela Grady, McKinnon's chief of staff. "They know they've made an impression and they're having an impact."

Pinpoint And Hire Stars

Creating a fun ritual to recognize less visible team members aligns with McKinnon's goal of fostering a culture of excellence. He wants Okta's roughly 2,000 employees to join the company's success and feel at ease sharing their ideas.

"You need to model what you think is important," McKinnon said. "Authenticity and genuineness are very powerful. You've got to get in front of people" and consistently encourage them to make a difference and praise them when they do.

McKinnon, 47, started his professional career as an engineer with PeopleSoft in 1995. During his eight years with the software firm, he rose into engineering

management while still in his 20s. In 2003, he moved to **Salesforce.com (CRM)** as its first vice president of engineering.

During his nearly six years at Salesforce, McKinnon grew his team from 10 to 400 people as the company broadened its scope from its customer relationship management offering to other enterprise applications. He gained valuable insights into how to select the best job candidates to power such fast growth.

"It made my reputation at Salesforce to hit my hiring targets," McKinnon said.

Let Applicants Show What They Can Do

He adhered to a simple, reliable hiring process, administering a 90-minute programming test to job applicants. He says he told them to "write some code" to simulate a real on-the-job activity.

"Before that, they'd solve a programming puzzle on a whiteboard," he said. "But testing a skill they'd need for the job worked well. Our engineering team embraced it as a way to objectively assess talent coming aboard."

McKinnon developed other distinctive approaches to hiring. He rejected the notion of only selecting candidates who received unanimous support from the management team.

"With some of my best hires, the interview panel was very split," he said. Placing more weight on the hiring manager's input often leads to good results because that person "has the most skin in the game," McKinnon says.

Adapted from an article published on October 31, 2019 in Investor's Business Daily.

Okta Inc

Okta Inc Cl A (OKTA) NASDAQ Computer Sftwr-Security

Options Yes
Short Interest 5.4 days +12%

Market Capitalization \$13.98 Bil(\$12.86 Bil)
Shares in Float 109.0 Million
Shares Outstanding 121.2 Mil(112.4 Mil)

Volume 2,982,700 \$115.37 -4.55
50-Day Avg Volume 1,730,800
Off 52-Week High -18.7%
52-Week Hi-Lo \$141.85-\$59.25

HEADQUARTERS: San Francisco, CA

PHONE: 888-722-7871

www.okta.com

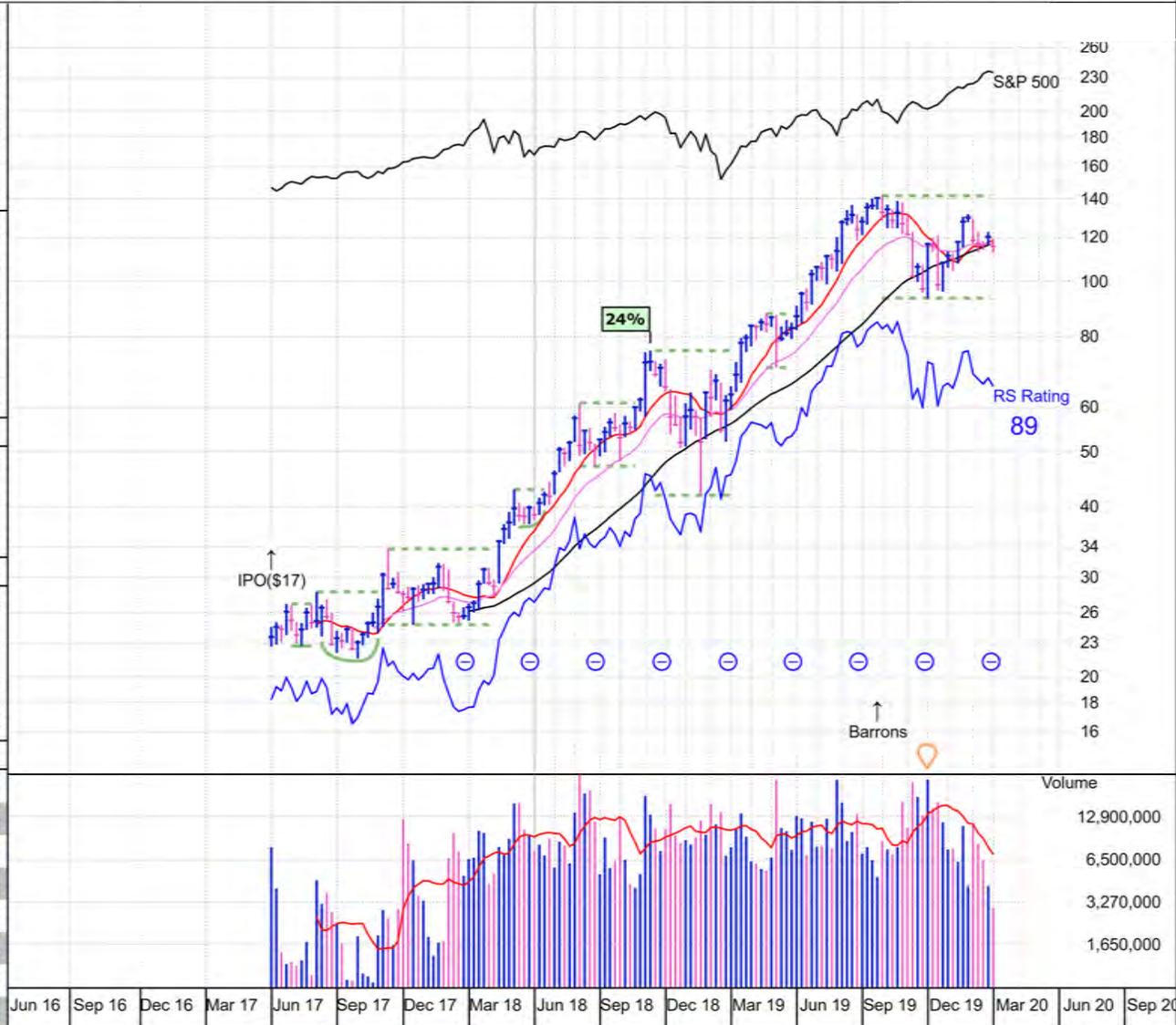
PROVIDES A FOUNDATION FOR SECURE CONNECTIONS BETWEEN PEOPLE AND TECHNOLOGY.

12/05/19 Expects Q4 FY20 non-GAAP loss of \$0.04 to \$0.05 per share on revenues of \$155 mil to \$156 mil

IPO 4/07/2017

Year (Jan)	EPS (\$)	Price(\$) High Low	EPS Rating	20
2013			Group RS Rating	27
2014			SMR Rating	D
2015	-0.64		Acc/Dis Rating	C-
2016	-0.83		Composite Rating	46
2017	-0.72	33 21	Timeliness Rating	C
2018	-0.62	75 25	Sponsorship Rating	B
2019	-0.32	141 59	EPS Growth Rate	N/A
2020	-0.35	est. N/A▲	Earnings Stability	N/A
2021	-0.28	est. N/A▲	P/E Ratio	N/A
			5-Year P/E Range	N/A
			Return on Equity	[N/A]
Yield	NONE		Cash Flow	-\$0.04
ExDiv	N/A		Debt	0%
Book Value	X54.89		R&D	25.6%
Inventory T/O	N/A		Alpha	0.12
U/D Vol Ratio	1.0		Beta	1.36
New CEO	N/A			
			Ownership	
			Mgmt	2%
			Banks	1%
			Funds	53%
Top RS in Grp	Symbol	RS	EPS Rtg	No. of Funds
Fortinet	FTNT	93	99	Dec-18 449
PingIdentity	PING	91	80	Mar-19 500
Rapid7	RPD	89	77	Jun-19 741
NiceLtdAds	NICE	82	88	Jun-19 741
Secureworks	SCWX	81	14	Sep-19 822

Quarterly	EPS(\$)	% Chg	Sales(\$Mil)	% Chg
Jan-18	-0.08	N/A	77.1	+58%
Apr-18	-0.09	N/A	83.6	+60%
Jul-18	-0.15	N/A	94.6	+57%
Oct-18	-0.04	N/A	105.6	+58%
Jan-19	-0.04	N/A	115.5	+50%
Apr-19	-0.19	N/A	125.2	+50%
Jul-19	-0.05	N/A	140.5	+49%
Oct-19	-0.07	N/A	153.0	+45%



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12.31.2019

MongoDB Performance Applauded As Analysts Raise Stock-Price Target



Uladzik Kryhin/Shutterstock.com

MongoDB (MDB) received multiple price-target hikes Thursday by Wall Street analysts who applauded the software company's quarterly results. But MongoDB stock was down.

After the market close Wednesday, MongoDB reported quarterly results that showed a 78% increase in revenue to \$89.4 million, vs. expectations of \$83 million. It reported an adjusted loss of 22 cents, beating estimates for a 24-cent loss. Quarterly results were for its fiscal first quarter ended April 30.

MongoDB stock slipped 0.8%, closing at 147.74, on the stock market today. Earlier, MongoDB stock plunged as much as 10%.

The company held an initial public offering in October 2017, raising \$192 million. MongoDB provides an open-source database software platform. It has a subscription-based software-as-a-service business model.

The company forecast a loss for the year that is wider than expected, but that didn't seem to phase analysts.

Monness Crespi Hardt analyst Brian White raised his price target on MongoDB stock to 185, from 150, with a buy rating.

MongoDB Cloud Momentum

"MongoDB continued to experience strong momentum in the cloud," White wrote in a note to clients. He raised his revenue forecast for the year to \$386.3 million, up from \$371 million. But White widened his per-share loss outlook to \$1.04, from \$1.01.

"We expect MongoDB to continue to invest aggressively in its business to capture a large market opportunity, thus we anticipate continued losses," he wrote.

Canaccord Genuity analyst Richard Davis raised his price target on MongoDB stock to 160, from 125, and maintained a buy rating.

He said MongoDB has a "strong product and excellent sales motion" in a market that is growing at least 30% a year.

Outlook Above Estimates

KeyBanc Capital Markets analyst Brent Bracelin raised his price target to 165 from 150, with a rating of overweight, "on increasing confidence in the sustainability of high growth," he wrote.

For the second quarter, MongoDB expects revenue in the range of \$90 million to \$92 million. That's above consensus estimate of \$87.7 million. The company expects a loss in the range of 29 cents to 27 cents a share. Wall Street estimates put the loss at 27 cents.

Needham analyst Jack Andrews raised his price target to 165 from 159, with a buy rating.

MongoDB stock is up 72% this year.

Adapted from an article published on June 6, 2019 in *Investor's Business Daily*.

MongoDB Inc

Mongoddb Inc Cl A (MDB) NASDAQ Computer Sftwr-Database

Volume 1,667,200 \$131.61 -2.52

Options Yes
Short Interest 7.7 days +1%

Market Capitalization \$7.47 Bil(\$6.15 Bil)
Shares in Float 46.8 Million
Shares Outstanding 56.7 Mil(47.7 Mil)

50-Day Avg Volume 1,146,500
Off 52-Week High -28.8%
52-Week Hi-Lo \$184.78-\$70.66

HEADQUARTERS: New York, NY

PHONE: 646-727-4092

www.mongodb.com

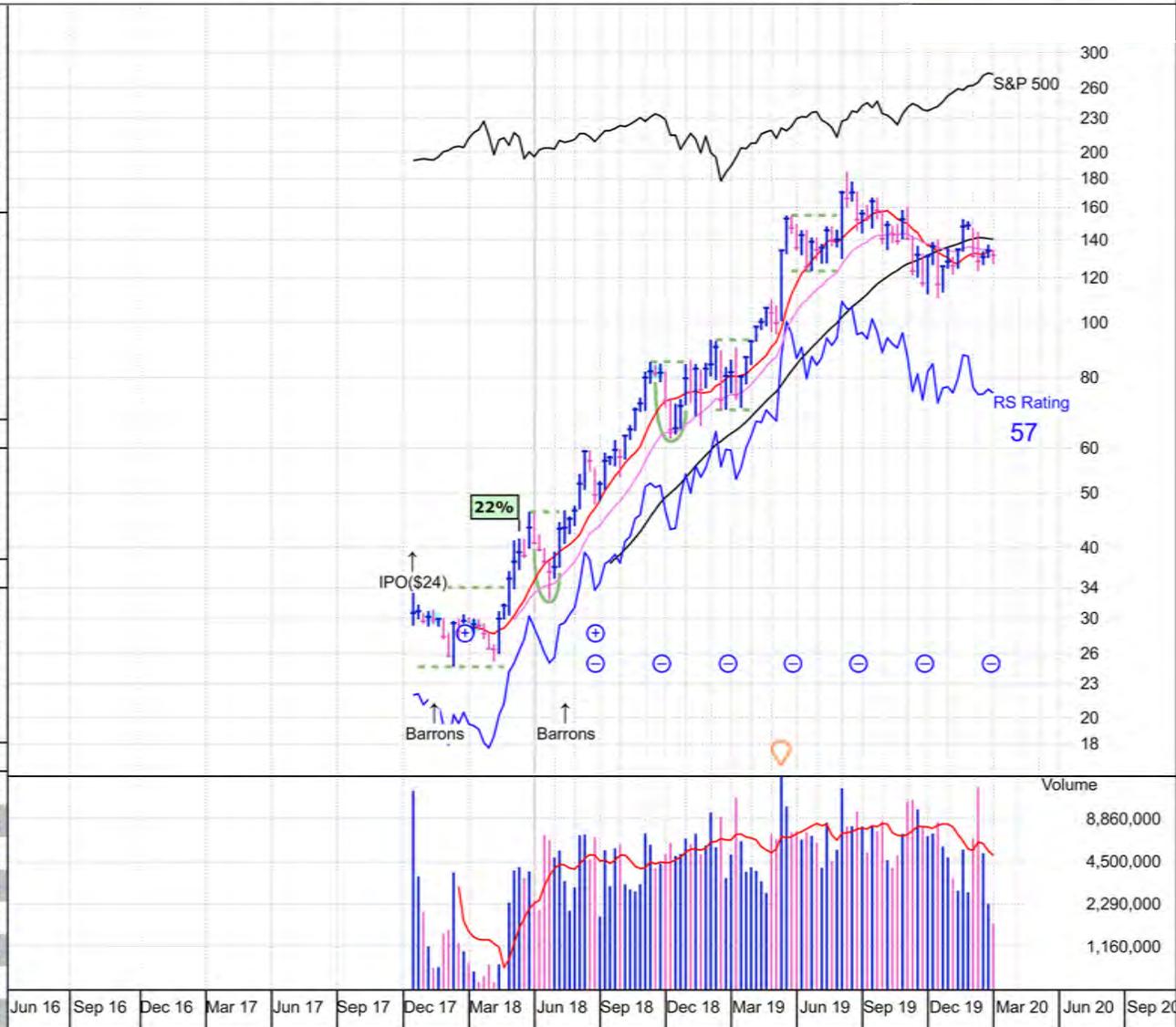
DEVELOPS AND SELLS SUBSCRIPTIONS TO A MODERN, GENERAL PURPOSE DATABASE PLATFORM

12/09/19 Expects FY20 non-GAAP loss of \$1.04 to \$1.02 per share on revenues of \$407.2 mil to \$409.2 mil

IPO 10/19/2017

Year (Jan)	EPS (\$)	Price(\$) High Low	EPS Rating	
2013			Group RS Rating	12
2014			SMR Rating	9
2015	-1.53		Acc/Dis Rating	D
2016	-1.46		Composite Rating	E
2017	-1.73	34 24	Timeliness Rating	21
2018	-1.70	93 25	Sponsorship Rating	D
2019	-1.00	184 70	EPS Growth Rate	B
2020	-1.03	est. N/A▲	Earnings Stability	N/A
2021	-0.79	est. N/A▲	P/E Ratio	N/A
			5-Year P/E Range	N/A
			Return on Equity	[N/A]
Yield	NONE		Cash Flow	-\$0.72
ExDiv	N/A		Debt 82%	Ownership
Book Value	X27.65		R&D 33.7%	Mgmt 1%
Inventory T/O	N/A		Alpha 0.06	Banks 1%
U/D Vol Ratio	0.8		Beta 1.75	Funds 77%
New CEO	N/A			
Top RS in Grp	Symbol	RS	EPS Rtg	No. of Funds
Varonis Sys	VRNS	91	3	Dec-18 234
Splunk	SPLK	88	99	Mar-19 269
OpenText	OTEX	75	71	Jun-19 538
Alteryx A	AYX	70	46	Jun-19 538
ProgSftw	PRGS	47	94	Sep-19 621

Quarterly	EPS(\$)	% Chg	Sales(\$Mil)	% Chg
Jan-18	-0.53	N/A	50.1	+67%
Apr-18	-0.37	N/A	50.1	+44%
Jul-18	-0.34	N/A	59.6	+55%
Oct-18	-0.13	N/A	71.8	+67%
Jan-19	-0.17	N/A	85.5	+71%
Apr-19	-0.22	N/A	89.4	+78%
Jul-19	-0.26	N/A	99.4	+67%
Oct-19	-0.26	N/A	109.4	+52%



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12.31.2019

RingCentral CEO Dials Up A Startup Mentality



Andrey_Popov/Shutterstock.com

Vlad Shmunis made a fortune not just once, but twice, from his business idea. What's the repeatable secret of the billionaire RingCentral CEO and founder? Find value when others can't see it.

Shmunis' idea dawned on him in 1992. Small business owners needed a way to place calls and manage communications with their computers. So, Shmunis launched Ring Zero Systems with only \$5,000. The company's software added communications skills to **Microsoft's (MSFT)** Windows. Ring Zero sold more than 25 million copies. **Motorola Solutions (MSI)** bought the company in 1994.

But Ukraine-born Shmunis realized Motorola didn't know what to do with his company and his idea.

So a few years later, Shmunis bought back Ring Zero's key intellectual property assets. And he used them to found **RingCentral (RNG)** in 1999. "The company started out as a bootstrap," Shmunis, 58, said. "We literally had two or three people to begin with."

The results are jaw-dropping. The 20-year-old company, which provides online communications services to companies, is now worth nearly \$15 billion. That makes Shmunis, who owns nearly 7% of the company, a billionaire. And RingCentral's name value is growing, too. The Oakland Athletics and Oakland Raiders now play

in the RingCentral Coliseum, after the company bought stadium naming rights in May of this year.

And investors scored big time, too. Shares of RingCentral rocketed more than 800% from their first-day closing price following their 2013 debut. The S&P 500 during that time is up just 84%. And it's not just a winning stock story. The company is expected to earn an adjusted 93 cents a share in 2019, or \$71 million. That's up from a loss of nearly \$34 million, or \$1.01 a share, in 2013.

RingCentral CEO: Operate Like A Startup

Good ideas get buried in a big-company bureaucracy, Shmunis says. "I had my own ideas early on and saw some opportunities at the time that my employer did not necessarily see," he said of his decision to set out as an entrepreneur. "It wasn't that hard of a decision for me."

Thinking like a startup helps the company find new sources of revenue. RingCentral now mostly generates revenue from the sale of software subscriptions. RingCentral Office is the company's flagship product, which offers unified communications via voice, video, messaging, conferencing and online meetings.

Staying true to a startup mentality is hard as the Belmont, Calif.-based company grows. It now has more than 2,000 employees serving customers in over 100 countries. "We have a fairly large company now and it would certainly not be possible for me, or for anyone, to run it in a top-down hierarchical manner," Shmunis said. "We try to get people to be their own bosses and I think it is working."

The company promotes an environment of openness. "We are collaborative and very, very innovative," Shmunis said of the company's culture. "We work hard on not losing our startup mentality."

A startup mentality means he trusts and inspires his employees, and does not micromanage them. "We wouldn't be able to get to where we are without

delegating and empowering and making sure people have fun and feel that they are making a difference," he said.

Keep It Simple

Clear focus is a competitive advantage for RingCentral. Focus is key when facing off against communications and software giants many times RingCentral's size. "We are a much more focused company," Shmunis said. "We have a number of products in our portfolio, but they are all to the same ends, which is to improve and reimagine business communications for enterprises of all sizes.

"That's all we do," said Shmunis, who has been the company's chairman and CEO since 1999.

Shmunis avoids unnecessary complexities in the business.

"We don't have distractions like other larger players who have products across a wide variety of disciplines," he said. "We are not encumbered with anything that is not cloud," he said.

RingCentral's products are provided as "cloud" services on its servers, not on equipment customers own and maintain themselves. "Our best and brightest people have the luxury of laser focusing on a single task — that's very, very powerful. I think it is easier to compete and succeed if you are not distracted with other priorities."

Prioritizing helps the company grow, too. "We started out serving smaller businesses, then midsize and now we serve businesses of all sizes," Shmunis said.

Adapted from an article published on December 5, 2019 in Investor's Business Daily.

RingCentral Inc

RingCentral Inc Cl A (RNG) NYSE Computer Sftwr-Enterprise

Options Yes
Short Interest 4.6 days -22%

Market Capitalization \$14.15 Bil(\$12.05 Bil)
Shares in Float 70.6 Million
Shares Outstanding 83.9 Mil(72.8 Mil)

Volume 1,063,300 \$168.64 -0.33
50-Day Avg Volume 1,125,300
Off 52-Week High -5.3%
52-Week Hi-Lo \$177.99-\$77.32

HEADQUARTERS: Belmont, CA

PHONE: 650-472-4100

www.ringcentral.com

DEVELOPS SOFTWARE FOR FIRMS TO COMMUNICATE WITH STAFF VIA VO ICE, TEXT AND FAX ON MULTIPLE DEVICES

11/04/19 Expects Q4 2019 non-GAAP earnings of \$0.21 per diluted share on revenues of \$238 mil to \$240 mil

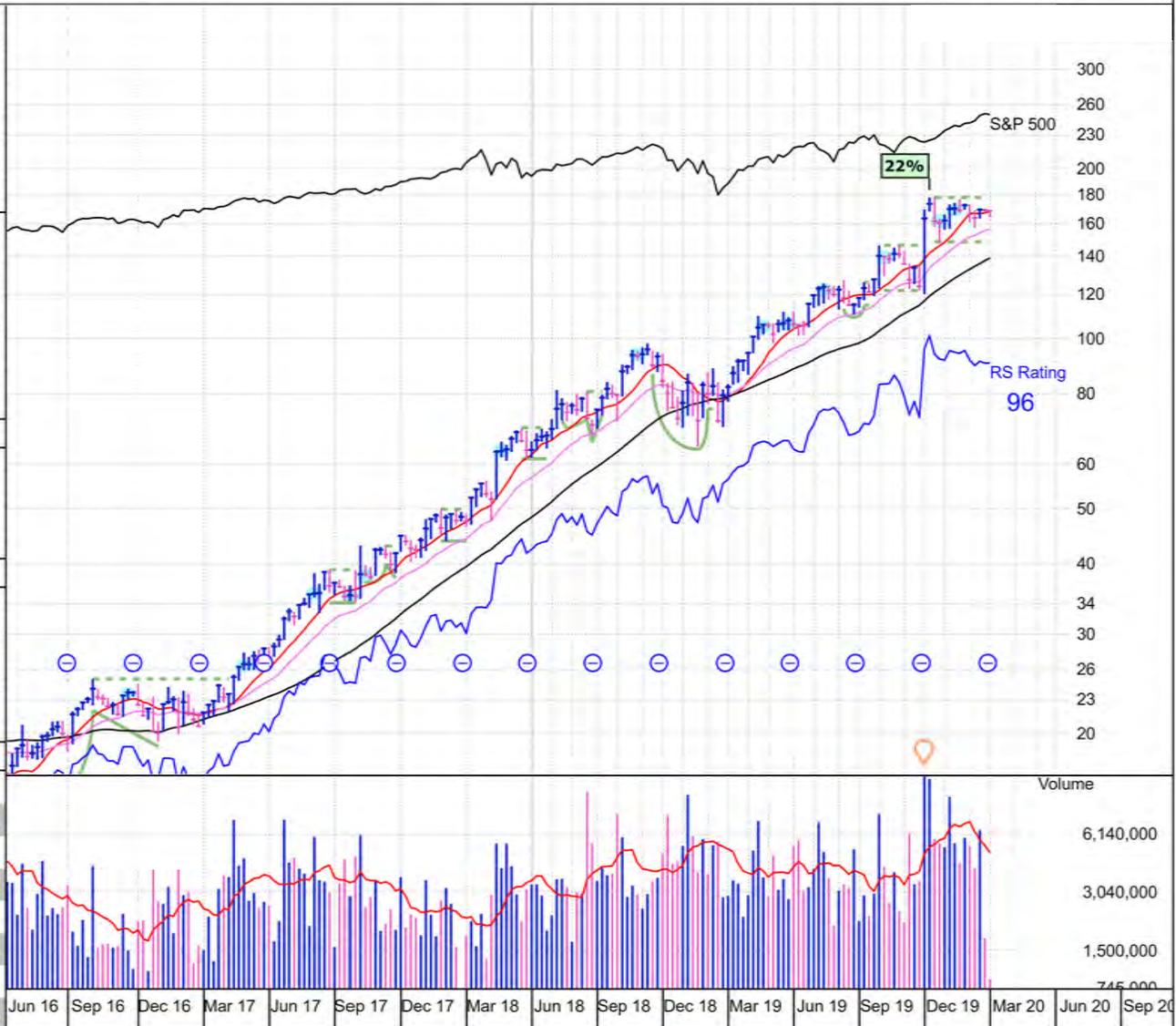
IPO 9/27/2013

Year (Dec)	EPS (\$)	Price(\$) High Low	EPS Rating	94
2012	-0.57		Group RS Rating	55
2013	-0.55	19 11	SMR Rating	A
2014	-0.48	23 10	Acc/Dis Rating	B+
2015	-0.12	25 13	Composite Rating	98
2016	0.09	25 13	Timeliness Rating	A
2017	0.47	49 20	Sponsorship Rating	B
2018	0.77	98 46	EPS Growth Rate	141%
2019	0.81	est. 5%▲	Earnings Stability	39
2020	0.93	est. 15%▼	P/E Ratio 201 (10.1 X SP)	
			5-Year P/E Range	84-422

Yield	NONE	Return on Equity	24%
ExDiv	N/A	Cash Flow	\$1.29
Book Value	X44.07	Debt 115%	Ownership
Inventory T/O	N/A	R&D 15.0%	Mgmt 3%
U/D Vol Ratio	1.2	Alpha 0.15	Banks 0%
New CEO	N/A	Beta 1.60	Funds 77%

Top RS in Grp	Symbol	RS	EPS Rtg	No. of Funds
Cardlytics	CDLX	99	63	Dec-18 508
Model N	MODN	98	77	Mar-19 569
Shopify	SHOP	97	28	Jun-19 602
Paycom	PAYC	95	98	Jun-19 602
Coupa Sftwr	COUP	95	74	Sep-19 620

Quarterly	EPS(\$)	% Chg	Sales(\$Mil)	% Chg
Dec-17	0.14	+367%	141.2	+35%
Mar-18	0.16	+78%	150.3	+34%
Jun-18	0.19	+90%	160.8	+34%
Sep-18	0.19	+46%	173.8	+33%
Dec-18	0.23	+64%	188.6	+34%
Mar-19	0.17	+6%	201.5	+34%
Jun-19	0.21	+11%	215.2	+34%
Sep-19	0.22	+16%	233.4	+34%



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12.31.2019

Is Fair Isaac Stock Still A Buy?



garagestock/Shutterstock.com

Fair Isaac (FICO) is known among other things for the ubiquitous “FICO score” that measures credit quality. But it’s a mistake to see it as just that. It is in fact a tech- and AI-driven company that develops decision-making software for a variety of industries.

And when it comes to its stock chart, Fair Isaac is something else: a prolific base builder. Fair Isaac stock is now in a fifth-stage base, the ninth base it’s built since the end of fiscal 2015.

Since then, Fair Isaac’s stock price has surged roughly 315%, as annual earnings per share have risen 74%, based on estimates for fiscal 2019, which ends in September. That’s about 14% a year growth, on average.

Middling Revenues, Great ROE

But Fair Isaac stock is not exactly a booming growth stock, as its revenues show. Since 2015, revenue has grown at just under 7% a year on average. Not bad, but nothing to really brag about.

Its return on equity, on the other hand, has been superb, rising from 30.4% in 2015 to 54.5% for 2018. In the most recent quarter, ROE hit an eye-opening 86.3%. Fair Isaac stock shareholders have little to complain about there.

Its other fundamental and technical factors show leadership, too. Fair Isaac stock is No. 2 in its industry

group, with a 98 Composite Rating, indicating that just 2% of all stocks have better ratings. It has a 91 EPS Rating, and a 97 RS Rating. All solid.

Late-Stage Bases: A Warning Sign?

But even so, as the stock builds yet another flat base, investors should beware. Or at least be wary.

Why? When a stock creates a new base after repeated technical breakouts from earlier bases, as Fair Isaac stock did, it can be a warning sign. Fourth- or fifth-stage bases often mark a top for a stock, a sign investors don’t see enough future earnings growth to justify further advances in the stock price.

Such late-base action is often wide, loose and erratic, a wild ride for investors holding the stock. That certainly describes Fair Isaac stock, at least in recent days. In the last few weeks of trading, daily swings have routinely been 1% or more, both on the upside and downside.

Monday’s trading session is a case in point. Fair Isaac stock dropped 5.6%, after briefly moving into a buy zone above a 371.91 entry out of a short, five-week flat base. Instead of sitting in the buy zone, it’s now in the sell zone, testing its 50-day moving average on the downside. That’s what erratic means.

A tipoff came when Fair Isaac stock briefly hit a new high Friday, but the relative strength line didn’t go to new highs. That’s a sign of weakness.

To be confident in a base, it should be an early-stage base, not a late-stage base. A stock moves up through the early base stages only when it rises at least 20% from its correct buy point in one base to the start of a new base, usually by consolidating at the highest point on the left side of a cup with handle, double bottom, or flat base.

But a late-base stock can reset its base count if the bottom of its late-stage base is so deep that it undercuts the previous base. For that to happen, FICO would have

to form a new base and fall under 324.21 while building the base.

Adapted from an article published on September 9, 2019 in *Investor’s Business Daily*.

Fair Isaac Corp

Fair Isaac Corp (FICO) NYSE Computer Sftwr-Financial

Options Yes
Short Interest 2.8 days +5%

Market Capitalization \$10.85 Billion
Shares in Float 26.9 Million
Shares Outstanding 29.0 Million

Volume 311,000 \$374.72 -4.08
50-Day Avg Volume 218,700
Off 52-Week High -1.5%
52-Week Hi-Lo \$380.49-\$178.42

HEADQUARTERS: San Jose, CA

PHONE: 408-535-1500

www.fico.com

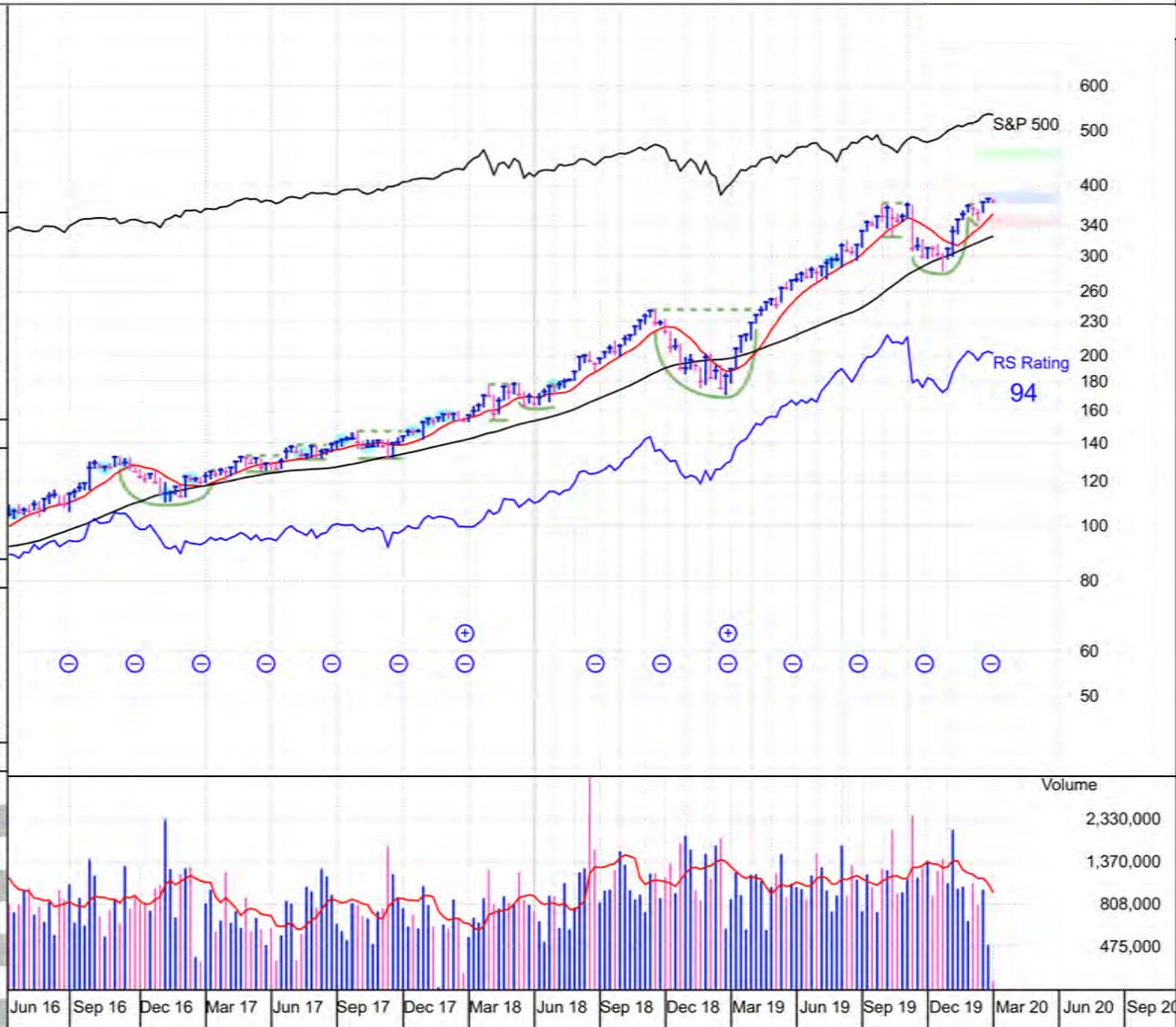
DEVELOPS DECISION-MAKING SOFTWARE FOR FINANCIAL SERVICES, IN SURANCE, HEALTHCARE, RETAIL/GOVERNMENT SECTORS.

12/03/19 To offer \$350 mil of 4.000% Senior Notes due 2028

IPO 7/22/1987

Year (Sep)	EPS (\$)	Price(\$) High Low	EPS Rating	96
2013	3.35	63 41	Group RS Rating	45
2014	3.68	74 50	SMR Rating	A
2015	4.15	97 69	Acc/Dis Rating	C
2016	4.81	132 80	Composite Rating	95
2017	4.89	159 118	Timeliness Rating	A
2018	5.50	241 152	Sponsorship Rating	B
2019	7.51	380 178	EPS Growth Rate	12%
2020	8.43	est. 12%▲	Earnings Stability	6
2021	9.76	est. 16%▲	P/E Ratio	50 (2.5 X SP)
Yield NONE			5-Year P/E Range	17-51
ExDiv 3/01/17	Book Value X37.42		Return on Equity	79%
Inventory T/O N/A	U/D Vol Ratio 1.3		Cash Flow	\$8.74
New CEO 01/2012	Alpha 0.16		Debt 209%	Ownership
Beta 1.23		Funds 60%	R&D 12.9%	Mgmt 6%
Top RS in Grp		Symbol	RS	EPS Rtg
IntlgSys		INS	96	75
Computer Servi		CSVI	90	81
Pegasyst		PEGA	87	3
Bottomline		EPAY	85	37
ACI Wwde		ACIW	82	95

Quarterly	EPS(\$)	% Chg	Sales(\$Mil)	% Chg
Dec-17	1.23	+19%	232.4	+6%
Mar-18	1.50	+43%	256.3	+12%
Jun-18	1.43	+23%	255.0	+10%
Sep-18	1.34	-19%	256.5	+1%
Dec-18	1.45	+18%	262.3	+13%
Mar-19	1.56	+4%	278.2	+9%
Jun-19	2.50	+75%	314.3	+23%
Sep-19	2.01	+50%	305.3	+19%



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Paylocity CEO Turned A Good Idea Into A \$5 Billion Powerhouse



rafapress/Shutterstock.com

Ask Steven Beauchamp and he'll tell you that his job as CEO of Paylocity is a lifelong dream.

"I always wanted to be in payroll," he told *Investor's Business Daily*. And then he paused a beat and with professional-level timing added: "I'm kidding."

Not that it makes a difference. Whether it was sheer luck or destiny, Beauchamp spent his entire career in the payroll industry, prior to taking the helm as CEO at **Paylocity (PCTY)** in 2007. The company provides payroll and other human resource software solutions for small to midsize companies.

It went public in March 2014 and Beauchamp led the company to uninterrupted 20%-plus annual growth in revenue and earnings since then. The company expects to keep growing at that pace and to double its revenue to about \$1 billion in five years.

It's been an amazing ride for investors, too. Paylocity's shares soared more than 300% from the first day's closing price, blowing away the S&P 500's 60% gain during that time. The company is now valued north of \$5 billion.

Target A Role, Not A Job

Beauchamp grew up in North Bay, Ontario, a town of roughly 50,000 people about three hours north of Toronto. He didn't have a career goal in mind. But his

father, who worked for a government funded agency and supervised 130 employees, inspired him.

No matter the business, "I knew I wanted to be in a leadership role," he told IBD. "I love leading people. I wanted to be in the room where they make decisions." And increasingly he was.

He started with payroll giant **Automatic Data Processing (ADP)** in his native Canada, shortly after graduating from Wilfrid Laurier University with a degree in business administration.

Three years later, he went back to school for an MBA from Queens University. Then he joined Payroll Central. He stayed with the company through consolidations including its purchase by Paychex (PAYX). He was that company's VP of Product Management and a corporate officer when he was approached by Paylocity founder Steven Sarowitz about joining his firm.

Research Your Risks First

The move to join Paylocity seems like a no-brainer now. But Beauchamp wasn't sure at the time. Paylocity was founded in 1997, and as he recalls, "It was still a relatively small company with no outside capital." And the company had a regional client base largely in the Chicago and Milwaukee area.

Also, he was mindful of the difficulties faced by executives who take over from company founders. He and his wife had four children. At the time the oldest was only six. He didn't move them to Chicagoland for three months after he started. "It was a big risk," he recalled.

"But I spent some time with (Sarowitz) and he said he really wanted to transition out, and I believed him." Also Beauchamp couldn't help but notice the inroads Paylocity made in the upper Midwest, taking business from larger, more established competitors.

Prepare For Career Curves

Clearly it all worked out. He notes, "It wasn't a straight line. He (Sarowitz) got involved in things I didn't want him to get involved in and I'm sure he felt the same about me. He had some passion projects he wanted to finish."

Beauchamp knew he needed to prepare, despite being in the industry a long time. "I knew a lot about the industry, so I spent some time (after arriving) meeting people," he said. At the time, Paylocity had about 100 employees. "I would do hourlong sessions with them to see how things worked, what their priorities were and any problems they've seen coming up."

That way when Sarowitz asked Beauchamp strategic questions, he was ready. And, yes, "There were some surprises. The founder felt some of the biggest challenges were operational, but felt sales was doing a good job. I thought the customers were satisfied, but the sales model at the time was not scalable."

Bring Your Lessons To Your Customers

Beauchamp sees his job as helping clients let their employees do what they're best at, too.

"You have a much younger workforce now for whom software is much more important," Beauchamp said. "Everything that happens at a company needs to be automated. Automating work flow allows you to be more efficient and moves you from just shuffling forms to managing human capital."

Adapted from an article published on October 3, 2019 in *Investor's Business Daily*.

Paylocity Holding Corp

Paylocity Holding Corp (PCTY) NASDAQ Computer Sftwr-Enterprse

Options Yes
Short Interest 4.2 days +13%

Market Capitalization \$6465.3 Million
Shares in Float 33.2 Million
Shares Outstanding 53.5 Million

Volume 428,300 \$120.82 -0.88
50-Day Avg Volume 316,100
Off 52-Week High -1.5%
52-Week Hi-Lo \$122.65-\$56.70

HEADQUARTERS: Schaumburg, IL

PHONE: 847-463-3200

www.paylocity.com

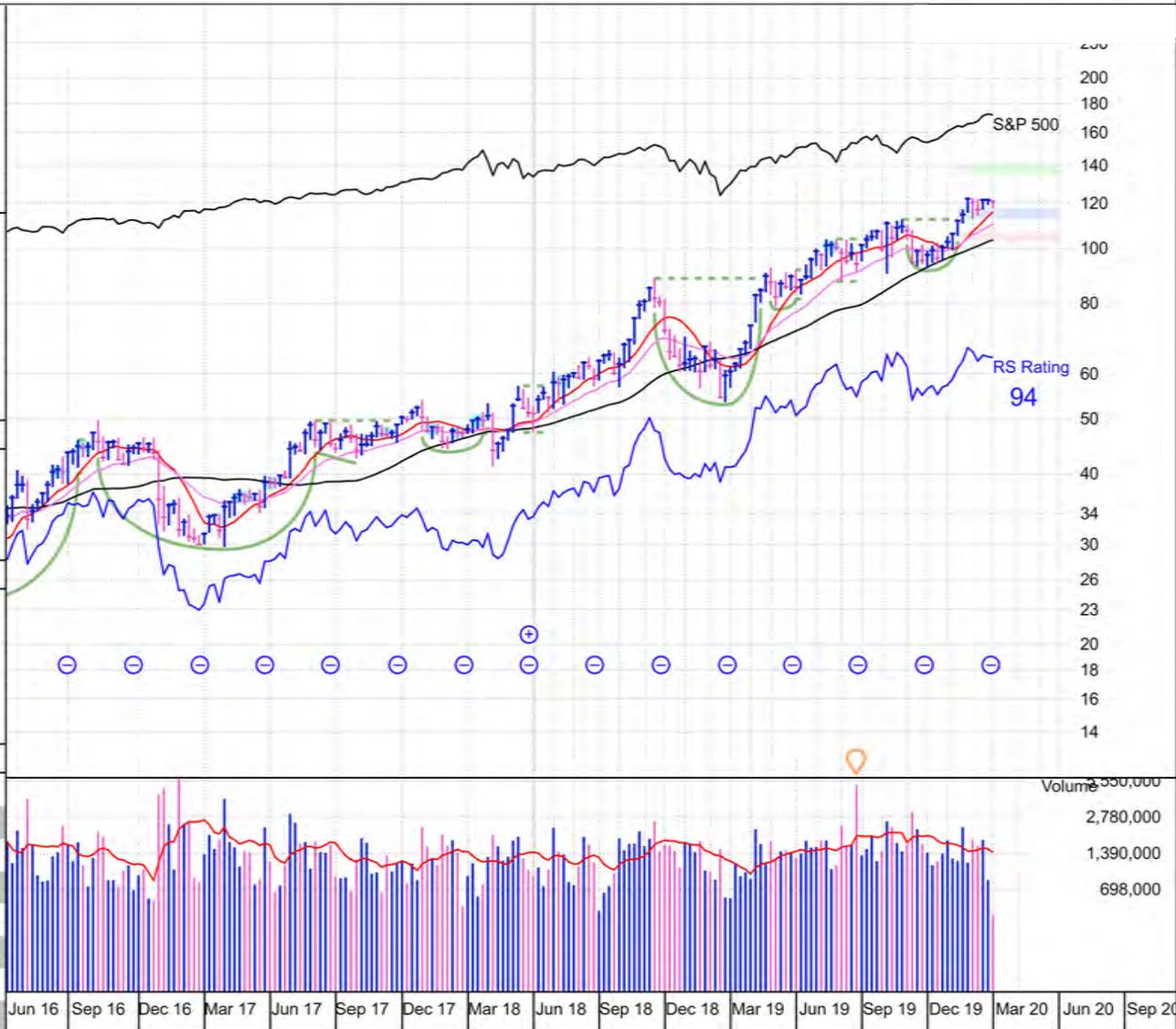
CLOUD-BASED PROVIDER OF PAYROLL AND HUMAN CAPITAL MANAGEMENT SOFTWARE SOLUTIONS FOR MEDIUM-SIZED COMPANIES.

10/30/19 Expects FY20 revenues of \$567 mil to \$569 mil

IPO 3/19/2014

Year (Jun)	EPS (\$)	Price(\$) High Low	EPS Rating	99
2013	0.01		Group RS Rating	55
2014	-0.03	31 14	SMR Rating	A
2015	0.01	46 22	Acc/Dis Rating	B
2016	0.30	49 24	Composite Rating	99
2017	0.67	53 29	Timeliness Rating	A
2018	0.57	88 41	Sponsorship Rating	C
2019	1.38	122 56	EPS Growth Rate	72%
2020	1.76	est. 28%▲	Earnings Stability	47
2021	2.14	est. 22%▲	P/E Ratio	86 (4.3 X SP)
			5-Year P/E Range	53-772
			Return on Equity	29%
Yield	NONE		Cash Flow	\$2.01
ExDiv	N/A		Debt	0%
Book Value	X20.77		R&D	10.8%
Inventory T/O	N/A		Alpha	0.13
U/D Vol Ratio	2.2		Beta	1.64
New CEO	N/A			
Ownership				
Mgmt	38%			
Banks	0%			
Funds	57%			
Top RS in Grp	Symbol	RS	EPS Rtg	No. of Funds
Cardlytics	CDLX	99	63	Dec-18 361
Model N	MODN	98	77	Mar-19 412
Shopify	SHOP	97	28	Jun-19 471
RingCentral A	RNG	96	94	Jun-19 471
Paycom	PAYC	95	98	Sep-19 476

Quarterly	EPS(\$)	% Chg	Sales(\$Mil)	% Chg
Dec-17	0.16	+60%	86.0	+25%
Mar-18	0.15	-63%	113.4	+26%
Jun-18	0.11	+22%	96.6	+27%
Sep-18	0.20	+33%	100.5	+23%
Dec-18	0.23	+44%	107.2	+25%
Mar-19	0.46	+207%	139.6	+23%
Jun-19	0.34	+209%	120.4	+25%
Sep-19	0.36	+80%	126.7	+26%



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12.31.2019

CyberArk Stock Prospers By Protecting Networks From The Inside



cyberark.com

A new wave of cybersecurity specialists like **CyberArk Software (CYBR)** are becoming the industry's vanguard by protecting computer networks from the inside. As a result, CyberArk stock keeps climbing.

Cybersecurity firms that specialize in computer network "firewalls" have led the industry for a long time. Ask investors to name a few cybersecurity firms and chances are they'll cite firewall vendors like **Palo Alto Networks (PANW)**, **Fortinet (FTNT)**, **Cisco Systems (CSCO)** or **Check Point Software Technologies (CHKP)**.

Firewalls block unauthorized traffic from the public internet and scrub web-based apps for malware. But now hackers often aim to compromise networks by targeting insiders — employees or management with administrative access to company computer systems. And spending on firewalls is slowing as network perimeter guards haven't kept the number of data breaches from growing.

That's why more companies are shifting cybersecurity budgets to "identity and access management" tools that address insider threats. They focus on users and mobile devices that access corporate networks, all part of a new cybersecurity concept called "Zero Trust." Unlike traditional security, zero trust deems users inside a network as untrustworthy — just like those outside it.

In a zero-trust setting, every user or device is always reverified, even if inside the enterprise firewall. It makes sure the person logging into a network is the real user. It also tests whether a device is compromised.

CyberArk Stock: Well Positioned For Zero Trust

In its 2019 survey of chief security officers, Morgan Stanley says identity management and zero trust both stood out.

"One fourth of CSOs note identity management as a top priority for 2019, an increase from the 21% who identified it as a top priority in our 2018 survey," Morgan Stanley analyst Melissa Franchi said in a recent report to clients. "This is in line with the emerging architectural approach of zero trust security — nothing is implicitly trusted based on the location, but rather trust is established at each transaction based on the credentials of the person, device (and) application itself."

Hackers increasingly use sophisticated "spear-phishing" techniques to get keys to the kingdom. Using fake emails, the hackers target network administrators or top management. They trick them into disclosing passwords or security credentials.

Under the zero trust model, network users get access only to select apps, not entire networks.

Franchi added CyberArk stock is Morgan Stanley's "top pick" to benefit from the zero trust trend, thanks to its "favorable competitive environment, room for estimates to move higher and reasonable valuation despite recent stock moves."

CyberArk Stock: Rivals Regroup Under New Owners

According to research firm Gartner, the privileged access management, or PAM, market will grow 19% in 2019 to nearly \$1.7 billion. CyberArk competes with cybersecurity firms **Okta (OKTA)**, Thycotic, Beyond Trust, Centrify and others. CA Technologies, acquired by **Broadcom (AVGO)**, has been losing share in the PAM market.

Bomgar acquired BeyondTrust last year while private equity firm Thoma Bravo took a majority stake in Centrify. Analysts say some rivals still need to regroup from recent business changes.

"CyberArk continues to benefit from the disruption in the market," Piper Jaffray analyst Andrew Nowinski said in his recent report to clients. "Both customers and channel partners alike continue to recognize CyberArk as the clear-cut leader in the PAM market. We believe CyberArk's Conjur (software) is a key differentiator."

Meanwhile, CyberArk focuses on companies whose digital transformation projects involve internal software development.

So-called "DevOps" teams test, deploy and monitor new software applications often deployed on cloud computing platforms. Customers or suppliers can access the apps remotely via the cloud, opening the door to potential security breaches.

CyberArk Focuses On Cloud

"CyberArk is well positioned to participate in the area of security for DevOps and cloud environments, William Blair analyst Jonathan Ho said in a report. "For some time, CyberArk has been expanding its coverage in the DevOps arena."

Oppenheimer analyst Shaul Eyal has a similar view. "CyberArk is recognized as a mission-critical solution that protects organizations through their digital transformation strategies and their migration to the cloud," he said in a May report.

In the June quarter, analysts estimate that CyberArk's profit will grow 36% to 47 cents a share, with revenue rising 2% to \$97.3 million.

Adapted from an article published on July 19, 2019 in *Investor's Business Daily*.

Cyberark Software Ltd

Cyberark Software Ltd (CYBR) NASDAQ Computer Sftwr-Security

Volume 531,200 \$116.58 -1.71

Options Yes
Short Interest 3.3 days -4%

Market Capitalization \$4374.3 Million
Shares in Float 23.3 Million
Shares Outstanding 37.5 Million

50-Day Avg Volume 681,000
Off 52-Week High -21.6%
52-Week Hi-Lo \$148.74-\$69.15

HEADQUARTERS: ISRAEL

PHONE:

www.cyberark.com

ISRAELI PROVIDER OF NETWORK SECURITY SOFTWARE FOCUSED ON PROTECTING PRIVILEGED ACCOUNTS

11/14/19 To offer \$500 mil of 0% Convertible Senior Notes due 2024

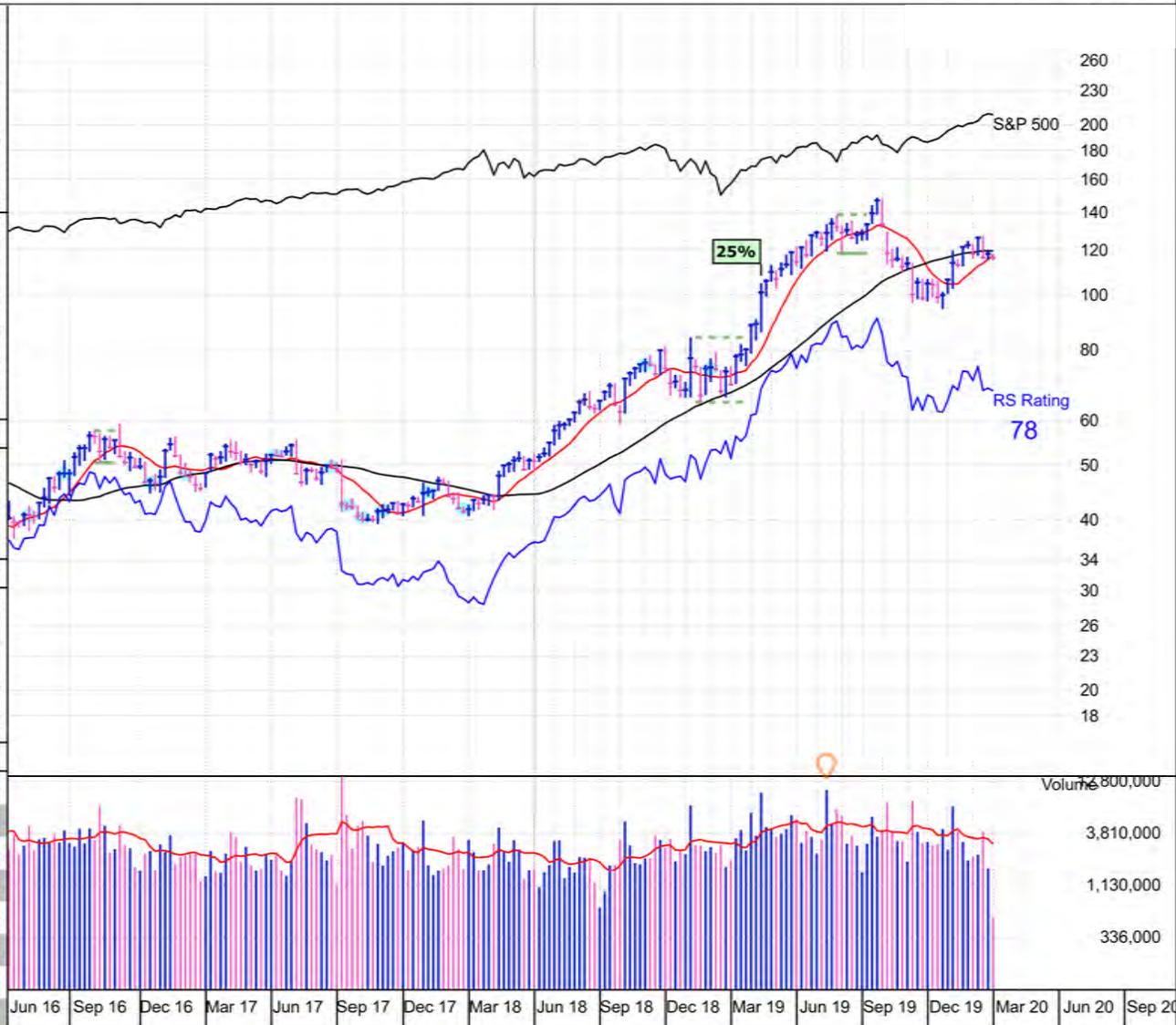
IPO 9/24/2014

Year (Dec)	EPS (\$)	Price(\$) High Low	EPS Rating	
2012	0.27		98	Group RS Rating 27
2013	0.28		A	SMR Rating
2014	0.49	47 13	C-	Acc/Dis Rating
2015	1.00	76 33	83	Composite Rating
2016	1.26	59 31	C	Timeliness Rating
2017	1.16	55 39	B	Sponsorship Rating
2018	2.06	84 40	35%	EPS Growth Rate
2019	2.61	est. 27%▲	21	Earnings Stability
2020	2.80	est. 7%▼	43 (2.2 X SP)	P/E Ratio
			29-110	5-Year P/E Range

Yield	NONE	Return on Equity	19%
ExDiv	N/A	Cash Flow	\$2.17
Book Value	X9.35	Debt	0%
Inventory T/O	N/A	R&D	16.6%
U/D Vol Ratio	1.1	Alpha	0.08
New CEO	N/A	Beta	1.28

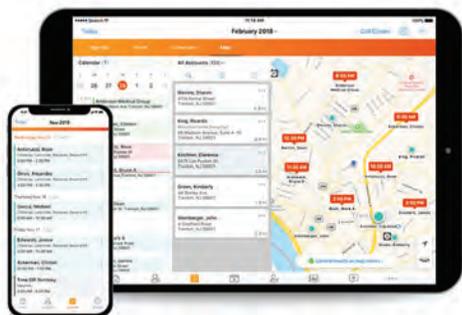
Top RS in Grp	Symbol	RS	EPS Rtg	No. of Funds
Fortinet	FTNT	93	99	Dec-18 258
PingIdentity	PING	91	80	Mar-19 321
Rapid7	RPD	89	77	Jun-19 526
Okta A	OKTA	89	20	Jun-19 526
NiceLtdAds	NICE	82	88	Sep-19 579

Quarterly	EPS(\$)	% Chg	Sales(\$Mil)	% Chg
Dec-17	0.41	0%	80.4	+25%
Mar-18	0.32	+14%	71.8	+22%
Jun-18	0.36	+71%	77.7	+35%
Sep-18	0.48	+92%	84.7	+31%
Dec-18	0.89	+117%	109.1	+36%
Mar-19	0.56	+75%	95.9	+34%
Jun-19	0.59	+64%	100.2	+29%
Sep-19	0.65	+35%	108.1	+28%



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After Huge Price Run, Does Veeva Stock Have More Left In The Tank?



veeva.com

Veeva Systems (VEEV), a provider of cloud-based software for the global life sciences industry, has been a mainstay in IBD's Sector Leaders screen because of outstanding fundamentals. Veeva stock also gets Sector Leader status due to excellent price performance. Year to date, Veeva stock is up 78%, compared to a gain of nearly 17% for the S&P 500.

Veeva's Composite Rating of 98 ranks it No. 2 in the medical software group behind **Simulations Plus (SLP)**.

The software sector has faced some selling in recent weeks but continues to be a top-ranked sector in IBD's database. Headed into Monday, the sector ranked fifth out of 33 sectors ranked mainly by price performance.

Veeva Earnings

Shares gapped up powerfully May 30 after the company reported its fourth straight quarter of 25%-plus sales growth. Earnings growth has averaged 70.5% over that time.

At the time, the stock was already extended after a breakout in January and a couple of successful tests of its 10-week moving average. Indeed, Veeva stock is a good example of how a strong stock can get stronger amid healthy fundamentals.

Total sales were \$245 million, up 25% year over year. Subscription revenue rose 27% to \$198.1 million.

During the earning conference call, CEO Peter Gassner noted there is customer demand to do more with artificial intelligence (AI) and advanced analytics. Veeva just launched Veeva Andi, an AI application that provides customer insights and recommends the next best action in Veeva CRM.

Veeva's next earnings report is Aug. 27 after the close. According to Zacks, adjusted profit is expected to rise 26% to 49 cents a share, with sales up 24% to \$259.26 million.

Veeva Stock Takes A Breather

Veeva stock is consolidating gains in orderly fashion with the stock market uptrend under pressure. The 150 price level is a round number support level to watch. A break below 150 would basically bring the stock down to where it was in late May, when it gapped up on earnings.

The inherent risk with Veeva is that it's made a big run already. Technically, it hasn't reset its base count after breaking out of a long consolidation in May 2016. It is now forming a third-stage base. A stock resets its base count when the low in the base undercuts the low of a prior base. An undercut like this is often enough to shake sellers out of the stock, paving the way for a powerful new uptrend.

A tame pullback raises the likelihood that Veeva Systems will form a proper base. Keep in mind that breakouts from late-stage bases can work, but many also fail.

VEEV Jumped On Earnings

Veeva stock jumped after the medical software giant beat Wall Street's third-quarter expectations and issued better-than-expected guidance.

For the third quarter ended Oct. 31, Veeva earnings of 60 cents per share climbed 33% and topped the estimate

of analysts polled by Zacks Investment Research for 54 cents. Revenue popped 25% to \$280.9 million, above expectations for \$274 million.

"It was a very exciting quarter," Chief Executive Peter Gassner said in a written statement. "We delivered great results, significantly expanding in new and existing areas and welcomed Crossix and Physicians World to the Veeva team."

Veeva acquired Crossix, a privacy-safe platform for patient data and analytics, for \$430 million. It also bought Physicians World, an events management software company, earlier this month. The financial terms of that deal weren't disclosed.

Veeva Stock Rises As Veeva Earnings Beat

Notably, during the third quarter, sales of subscription services jumped 27% to \$226.8 million.

Chief Financial Officer Tim Cabral noted strong growth for Veeva Commercial Cloud and Veeva Vault products. Cabral is set to retire next year.

The medical software company also noted a top 50 pharma selected Veeva CRM to manage its European market based on the system's success in the U.S. Another leading 50 pharma selected a system called Veeva OpenData in the U.S. to improve effectiveness in the pharmacy rep field.

For the year ending Jan. 31, Veeva guided to adjusted income of \$2.16-\$2.17 per share on \$1.088 billion to \$1.091 billion in sales. Both metrics beat analysts' estimates for Veeva earnings of \$2.12 per share and \$1.07 billion in sales.

Adapted from articles published on August 19 and November 26, 2019 in *Investor's Business Daily*.

Veeva Systems Inc

Veeva Systems Inc CI A (VEEV) NYSE Computer Sftwr-Medical

Market Capitalization \$20.90 Bil(\$18.69 Bil)
 Shares in Float 130.9 Million
 Shares Outstanding 148.6 Mil(132.2 Mil)

Volume 2,130,100 \$140.63 -0.02
 50-Day Avg Volume 1,406,100
 Off 52-Week High -20.5%
 52-Week Hi-Lo \$176.90-\$82.41

Options Yes
 Short Interest 1.6 days -13%

HEADQUARTERS: Pleasanton, CA

PHONE: 925-452-6500

www.veeva.com

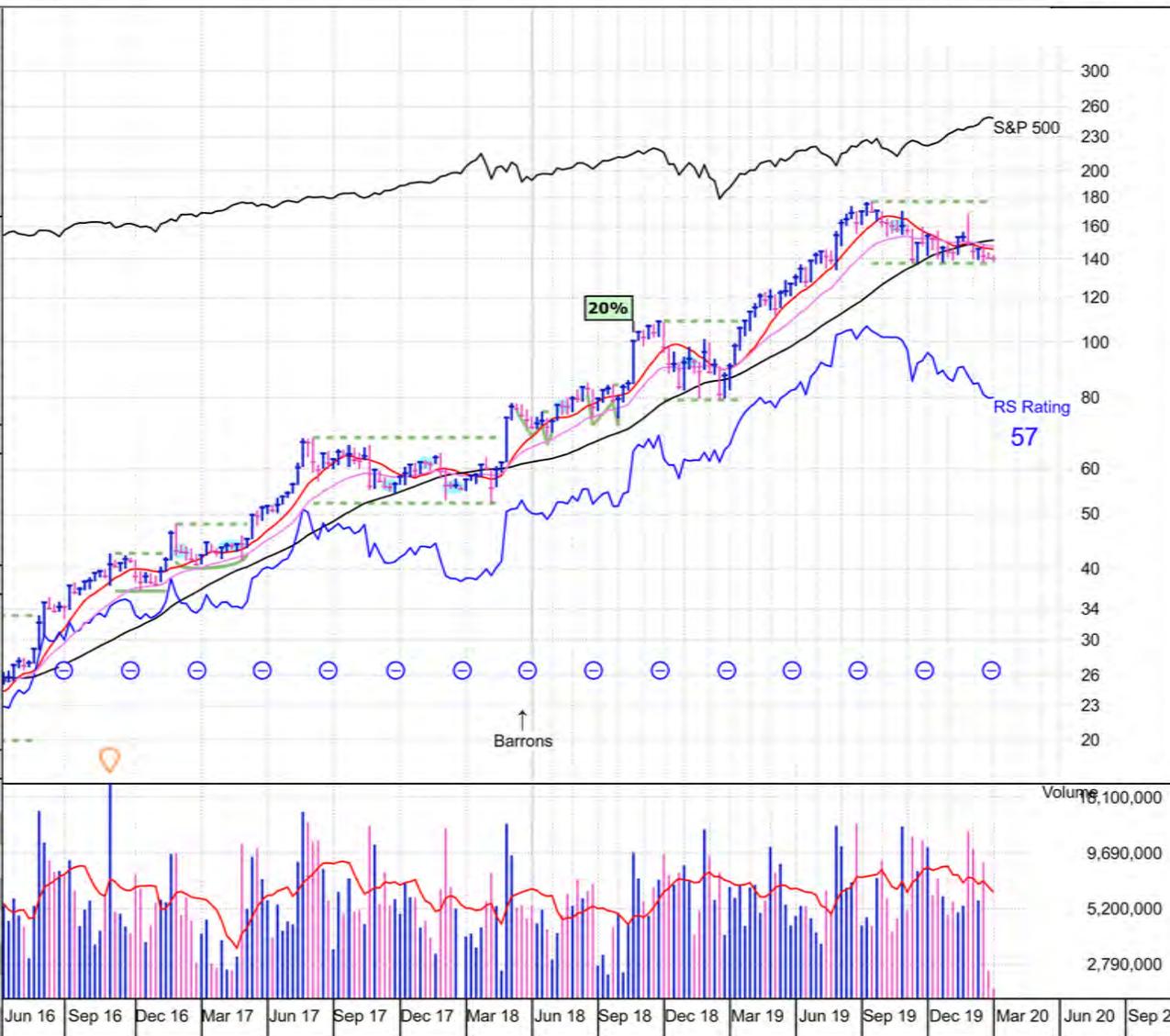
DEVELOPS CLOUD-BASED SOFTWARE FOR SALES/MARKETING FUNCTIONS OF COMPANIES IN THE LIFE SCIENCES INDUSTRY.

11/07/19 Acquired Physicians World, a provider of speakers bureau services

IPO 10/16/2013

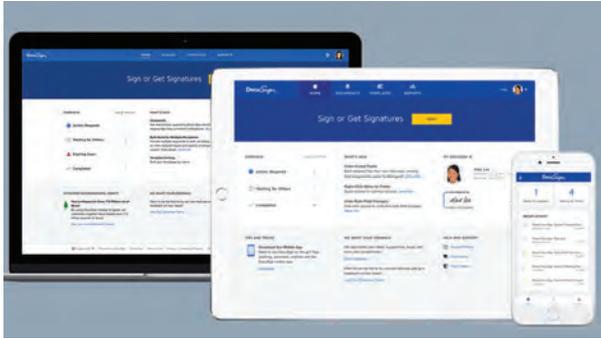
Year (Jan)	EPS (\$)	Price(\$) High Low	EPS Rating	99
2013	0.15	49 12	Group RS Rating	7
2014	0.23	39 17	SMR Rating	A
2015	0.37	33 22	Acc/Dis Rating	D-
2016	0.51	47 19	Composite Rating	68
2017	0.73	68 40	Timeliness Rating	C
2018	0.96	109 52	Sponsorship Rating	B
2019	1.63	176 82	EPS Growth Rate	45%
2020	2.17	est. 33%▲	Earnings Stability	6
2021	2.51	est. 16%▲	P/E Ratio	67 (3.4 X SP)
Yield NONE			5-Year P/E Range	38-99
ExDiv N/A			Return on Equity	24%
Book Value X16.92			Cash Flow	\$1.89
Inventory T/O N/A			Debt 0%	Ownership
U/D Vol Ratio 1.0			R&D 18.4%	Mgmt 1%
New CEO N/A			Alpha 0.04	Banks 1%
			Beta 1.56	Funds 54%
Top RS in Grp	Symbol	RS	EPS Rtg	No. of Funds
TeladocHlth	TDOC	93	25	Dec-18 956
Inovalon	INOV	89	55	Mar-19 1120
ChangeHlthcr	CHNG	82	1	Jun-19 1302
Simulatns	SLP	81	97	Jun-19 1302
Cerner	CERN	78	70	Sep-19 1388

Quarterly	EPS(\$)	% Chg	Sales(\$Mil)	% Chg
Jan-18	0.24	+9%	186.0	+24%
Apr-18	0.33	+43%	195.6	+22%
Jul-18	0.39	+63%	209.6	+25%
Oct-18	0.45	+80%	224.7	+27%
Jan-19	0.45	+88%	232.3	+25%
Apr-19	0.50	+52%	244.8	+25%
Jul-19	0.55	+41%	266.9	+27%
Oct-19	0.60	+33%	280.9	+25%



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DocuSign Stock: Adobe Rival Breaks Out Of Three-Weeks-Tight Pattern



docusign.com

DocuSign (DOCU) is the IBD Stock of the Day as the maker of digital contract software breaks out from a three-weeks-tight chart pattern, a bullish signal for many growth stocks. DocuSign stock popped on Thursday as the Nasdaq Composite gained on 2020's first trading day.

Shares of the company popped on Dec. 6 after the rival of Adobe Systems (ADBE) reported better-than-expected Q3 earnings. The electronic signature software maker formed a three-weeks-tight chart pattern in mid-December after breaking out of a consolidation three months earlier.

DocuSign stock jumped 2.4% to 75.90 on the stock market today. With sales popping over 40% the last two quarters, DocuSign is one of several top software growth stocks to watch using IBD's investing tools.

While DocuSign stock could appear extended from an entry point of 59.72 in September, the three-weeks-tight pattern provides an opportunity for a "follow-on" buy point at 76.38.

DocuSign's software automates the electronic filing of contracts and digital certificates. Its software prepares agreements and certifies electronic signatures.

DocuSign Stock: Software Partnerships Grow

While Adobe competes with DocuSign, the company has partnered with several other large software companies

on its own, Chief Executive Daniel Springer told IBD in a recent interview. DocuSign's partners include Salesforce.com (CRM), Microsoft (MSFT), SAP (SAP) and Intuit (INTU).

"When we were still a private company we had an amazing number of partnerships and investors, a lot of large and important software companies," Springer said. "They're go-to-market partners with DocuSign. So the partnership landscape is very significant part of our business."

DocuSign stock went public at 29 in April 2018. The company focuses on industries such as financial services and insurance, telecom and health care/life sciences, Springer said. It's also pushing into the federal government market.

DocuSign rivals are getting swallowed up by larger companies. Dropbox (DBX) last year bought HelloSign. And in 2011, Adobe bought EchoSign. Springer says that while Adobe is a formidable foe, DocuSign remains the market leader by far in electronic signatures.

"They're (Adobe) a very good company. We don't take them lightly," he said. "But their part of the signature market is small. It's maybe 1% less or less of their revenue. They're the second player in the space, but we're probably six or seven times their size."

Rising Relative Strength A Bullish Signal

DocuSign in 2018 acquired SpringCM for \$220 million to expand its product line into contract life cycle management. Another acquisition could be coming, DocuSign stock analyst Alex Zukin of RBC Capital said in a recent note to clients.

"We get the sense the company is well-positioned to conduct another strategic deal at this point, though nothing seems imminent," Zukin said. Springer says the company could explore more deals.

DocuSign has a Relative Strength Rating of 94 out of a best-possible 99. The best stocks tend to have an 80 or

better RS Rating. An upward-trending RS line tells you the stock is outperforming the general market.

DocuSign stock has an Accumulation/Distribution Rating of B+. The rating runs from a best-possible A to a worst-possible E. It analyzes price and volume changes in a stock over the past 13 weeks of trading. A rising Accumulation/Distribution Rating is a clue that institutional buyers are buying.

DocuSign Earnings Top Estimates, But Stock Falls

DocuSign earnings and revenue for the fourth quarter topped analyst estimates. Despite the DocuSign earnings beat, shares in the software maker fell in after-hours trading.

The maker of software that digitizes contract paperwork said adjusted earnings were 6 cents a share, with revenue rising 34% to \$199.7 million. A year earlier, DocuSign earnings were 1 cent a share on sales of \$149 million.

Analysts expected DocuSign earnings of 1 cent a share on sales of \$193.6 million for the period ended Jan. 31. DocuSign stock dropped 10% to 52.96 in after-hours trading.

Adapted from articles published on March 14, 2019 and January 2, 2020 in Investor's Business Daily.

DocuSign Inc (DOCU) NASDAQ Computer Sftwr-Enterprise

Volume 2,062,300 \$74.11 -0.28

Options Yes
Short Interest 5.4 days -8%

Market Capitalization \$13.30 Billion
Shares in Float 140.0 Million
Shares Outstanding 179.5 Million

50-Day Avg Volume 1,942,900
Off 52-Week High -2.8%
52-Week Hi-Lo \$76.28-\$38.80

HEADQUARTERS: San Francisco, CA

PHONE: 415-489-4940

www.DocuSign.com

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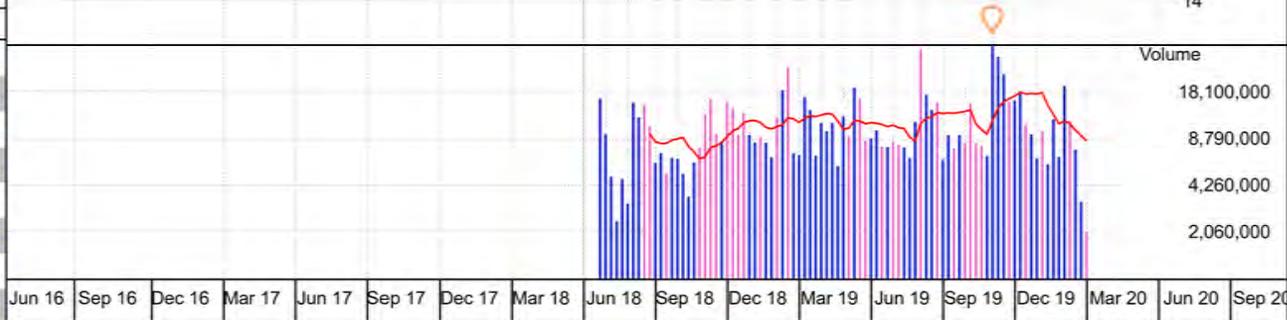
12/05/19 Expects FY20 revenues of \$962 mil to \$966 mil.

IPO 4/27/2018

Year (Jan)	EPS (\$)	Price(\$) High Low	EPS Rating	39
2013			Group RS Rating	55
2014			SMR Rating	B
2015			Acc/Dis Rating	B+
2016	-0.79		Composite Rating	78
2017	-0.74		Timeliness Rating	A
2018	-0.08	68 35	Sponsorship Rating	B
2019	0.11	76 38	EPS Growth Rate	N/A
2020	0.24	est. 118%▲	Earnings Stability	N/A
2021	0.41	est. 71%▲	P/E Ratio	295 (14.8 X SP)
Yield	NONE		5-Year P/E Range	257-999
ExDiv	N/A		Return on Equity	13%
Book Value	X21.54		Cash Flow	\$0.58
Inventory T/O	N/A		Debt 71%	Ownership
U/D Vol Ratio	1.1		R&D 26.5%	Mgmt 14%
New CEO	N/A		Alpha 0.11	Banks 1%
			Beta 1.66	Funds 70%
Top RS in Grp	Symbol	RS	EPS Rtg	No. of Funds
Cardlytics	CDLX	99	63	Dec-18 296
Model N	MODN	98	77	Mar-19 406
Shopify	SHOP	97	28	Jun-19 565
RingCentral A	RNG	96	94	Jun-19 565
Paycom	PAYC	95	98	Sep-19 659



Quarterly	EPS(\$)	% Chg	Sales(\$Mil)	% Chg
Jan-18	0.01	+107%	148.9	+37%
Apr-18	0.01	+120%	155.8	+37%
Jul-18	0.03	+400%	167.0	+33%
Oct-18	0.01	+133%	178.4	+37%
Jan-19	0.06	+500%	199.7	+34%
Apr-19	0.07	+600%	214.0	+37%
Jul-19	0.01	-67%	235.6	+41%
Oct-19	0.11	+999%	249.5	+40%



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ServiceNow Hunts For Big Deals, Targets \$10 Billion In Sales



servicenow.com

Despite rising competition, Wall Street analysts view **ServiceNow's (NOW)** 2020 revenue target of \$4 billion as a slam dunk, and see an eventual path to \$10 billion in sales. What's unclear for ServiceNow stock is how long it will take to get to that bigger figure.

It's essential for the enterprise software maker to land enough big accounts of \$1 million or more if it is to reach that target sooner rather than later. Also critical is adding more large enterprise customers — companies with more than 5,000 employees — and selling them multiple products.

To hit the \$10 billion target, for example, ServiceNow will need 2,000 customers paying more than \$1 million each a year vs. the 675 large clients they had in 2018, the company says.

"Management sees growth within large enterprises as the key to scaling to the \$10 billion revenue number," BTIG Research analyst Joel Fishbein said in a recent report to clients.

To help with that task, ServiceNow has expanded from its core business into software for human resources, customer service management and security. The results thus far: ServiceNow's 2018 revenue jumped 36% to \$2.61 billion.

ServiceNow Stock: Double-Digit Revenue Growth

At the company's analyst day earlier this week, management outlined strategic priorities, growth drivers, and investments that will enable it to reach \$10 billion of revenue over time. ServiceNow stock analysts also got an update on its acquisition strategy.

"We are bullish on the opportunity to move beyond \$4 billion in 2020 revenue to \$10 billion as ServiceNow focuses on sustainable and increasingly profitable growth at scale," RBC Capital analyst Matthew Hedberg said in his recent note to clients.

Santa Clara, Calif.-based ServiceNow makes information-technology service management software. Its self-service tech portal enables company employees to access administrative and workflow tools.

Analysts say competition is heating up and the pressure is on ServiceNow stock. The likes of **Salesforce.com (CRM)**, **Atlassian (TEAM)**, **SolarWinds (SWI)** and others pose a threat, each positioning themselves to give ServiceNow a run for its money.

SolarWinds recently acquired Samanage, which sells ITSM (information technology service management) products. In September, Atlassian purchased OpsGenie, which offers incident tracking tools for tech departments. And Salesforce has always been a leader in the customer relationship management market, where ServiceNow is trying to make headway.

ServiceNow Stock: Profit Growth Slowing

Some customers are pushing back at ServiceNow's high pricing, analysts say. BMC Software, a longtime rival now owned by Accel-KKR, is pricing aggressively to retain share, analysts say.

ServiceNow also competes with Cherwell, startup BigPanda and **Zendesk (ZEN)**. A new financial product, meanwhile, will put ServiceNow into competition with

Blackline (BL), a cloud-based platform to automate and control finance and accounting.

ServiceNow's 2018 adjusted profit boomed 84% to \$2.46 a share. It's now investing heavily in research and development, sales and marketing, as well as building up its brand. Analysts project that adjusted profit growth will slow to 28% in 2019 and 35% in 2020. The slowing profit growth rate is tied to hiring more sales and marketing staff, analysts say.

Analysts following ServiceNow stock take its slowing profit growth in stride.

"Growth in large deals, a rising brand profile, strong uptake of new product offerings, and a continued focus on efficient growth investments set the company up for high 20s revenue growth and low 30s FCF (free cash flow) growth over the next six years," UBS analyst Jennifer Lowe said in her note to clients.

ServiceNow To Shift Away From Billings Guidance

At BMO Capital Markets, analyst Keith Bachman said of ServiceNow, "Large customers that use multiple products are more profitable than the company average. Hence, we think mix will help margins, even as the company launches new solutions and ramps marketing."

In 2020, the company plans to shift away from providing billings guidance, a sales growth metric. Instead, it'll use remaining performance obligation when providing a financial outlook.

Adapted from an article published on May 8, 2019 in *Investor's Business Daily*.

ServiceNow Inc

ServiceNow Inc (NOW) NYSE Computer Sftwr-Enterprse

Options Yes
Short Interest 3.6 days -8%

Market Capitalization \$53.24 Billion
Shares in Float 186.7 Million
Shares Outstanding 188.6 Million

Volume 2,208,700 \$282.28 -4.60
50-Day Avg Volume 3,385,300
Off 52-Week High -6.9%
52-Week Hi-Lo \$303.17-\$168.47

HEADQUARTERS: Santa Clara, CA

PHONE: 408-501-8550

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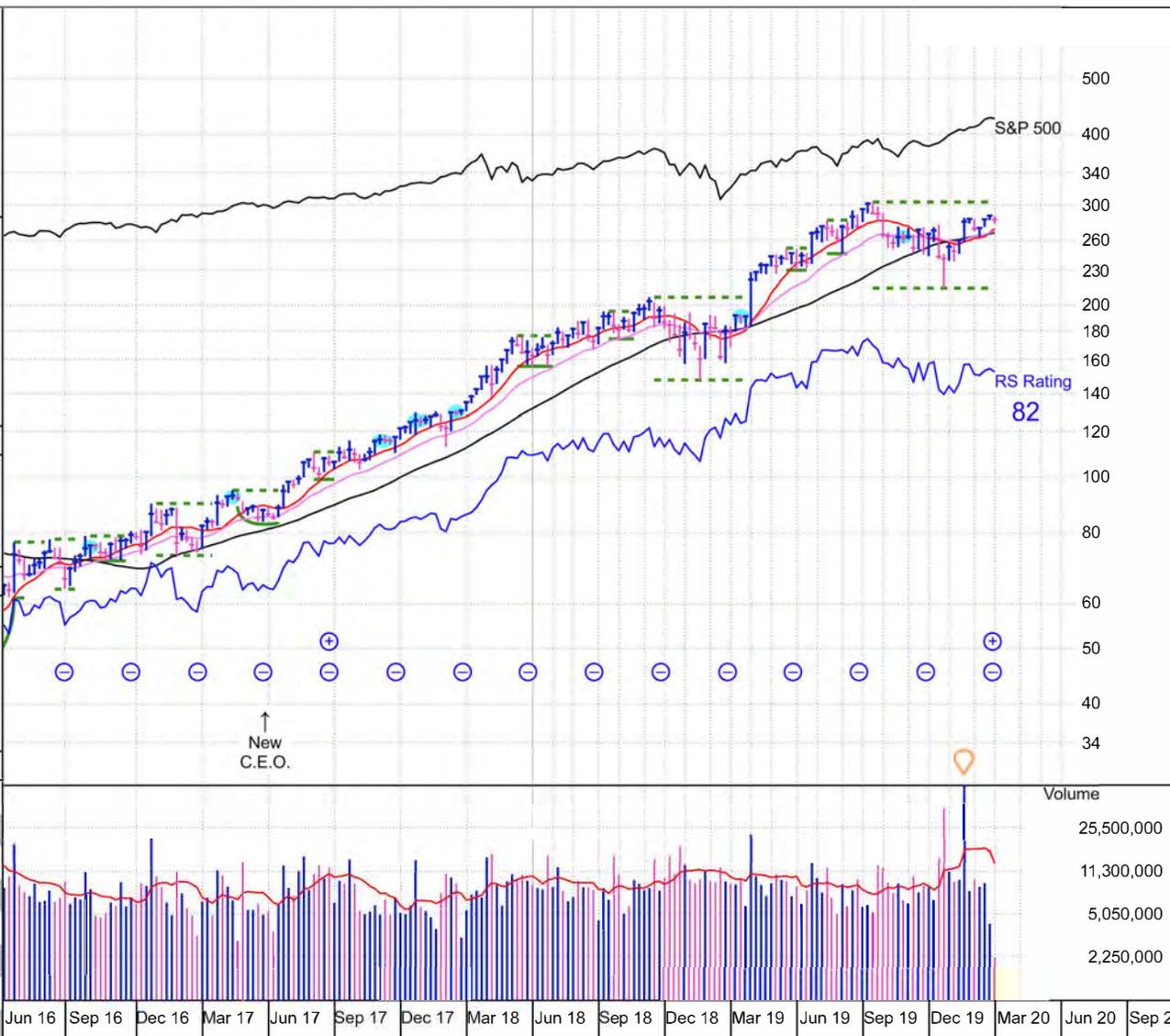
11/18/19 Named Gina Mastantuono CFO, effective January 13, 2020

IPO 6/29/2012

Year (Dec)	EPS (\$)	Price(\$) High Low	EPS Rating	98
2012	-0.14	41 15	Group RS Rating	55
2013	-0.07	58 25	SMR Rating	A
2014	-0.07	71 44	Acc/Dis Rating	B
2015	0.40	91 62	Composite Rating	97
2016	0.70	89 45	Timeliness Rating	A
2017	1.35	131 73	Sponsorship Rating	B
2018	2.49	206 130	EPS Growth Rate	132%
2019	3.24	est. 30%▼	Earnings Stability	93
2020	4.20	est. 30%▼	P/E Ratio	90 (4.5 X SP)
Yield NONE			5-Year P/E Range	59-999
ExDiv N/A			Return on Equity	50%
Book Value X48.00			Cash Flow	\$4.10
Inventory T/O N/A			Debt 60%	Ownership
U/D Vol Ratio 1.6			R&D 20.3%	Mgmt 1%
New CEO 04/2017			Alpha 0.04	Banks 1%
			Beta 1.61	Funds 61%

Top RS in Grp	Symbol	RS	EPS Rtg	No. of Funds
Cardlytics	CDLX	99	63	Dec-18 1449
Model N	MODN	98	77	Mar-19 1598
Shopify	SHOP	97	28	Jun-19 1774
RingCentral A	RNG	96	94	Jun-19 1774
Paycom	PAYC	95	98	Sep-19 1798

Quarterly	EPS(\$)	% Chg	Sales(\$Mil)	% Chg
Dec-17	0.43	+79%	549.1	+42%
Mar-18	0.56	+81%	589.2	+37%
Jun-18	0.49	+123%	631.1	+41%
Sep-18	0.68	+79%	673.1	+37%
Dec-18	0.77	+79%	715.4	+30%
Mar-19	0.67	+20%	788.9	+34%
Jun-19	0.71	+45%	833.9	+32%
Sep-19	0.99	+46%	885.8	+32%



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Twilio Stock Rides Shift To Cloud Computing As New Markets Beckon



twilio.com

Twilio stock has its groove back after the roller-coaster ride that started with its initial public offering more than two years ago.

Twilio (TWLO) has rebounded from declining sales tied to key customer Uber Technologies. The hiring of a former **Salesforce.com (CRM)** executive has put some oomph into its sales strategy.

Further, analysts say a new software product for business customer-support services looks like a growth driver. And, a \$2 billion all-stock acquisition of **SendGrid (SEND)** will enable the maker of communications software to enter the email marketing space.

“The SendGrid acquisition is very good because that business is extremely complementary and allows Twilio to enter the marketing space in a disruptive way,” Piper Jaffray analyst Alex Zukin said in an email.

Twilio's biggest move, however, could be its shift to cloud computing. Twilio's core product has been a software platform that enables app developers to embed voice, text messaging and video into their products. The software also makes it easier for cloud applications to communicate with each other.

Twilio's service relies on cloud computing infrastructure from Amazon Web Services, or AWS, part of e-commerce

giant **Amazon.com (AMZN)**. Twilio's software platform is hosted in some 27 data centers globally.

Mobile Apps Fuel Twilio Growth

More software developers are using Amazon Web Services, **Microsoft (MSFT)** Azure, **Alphabet's (GOOGL)** Google Cloud, and Salesforce.com's cloud platforms to build apps, JPMorgan analyst Mark Murphy says.

“Twilio's growth will continue to be fueled by the proliferation of cloud and mobile application development that is reflective of its strong customer base, which includes Uber, WhatsApp, Airbnb, and other industry leaders,” Murphy said in a recent note to clients.

Twilio stock popped over 370% over three months after its June 2016 initial public offering. With customers like UberTechnologies, Airbnb and **Facebook's (FB)** WhatsApp, the maker of communications software seemed in the thick of the on-demand economy.

Twilio charges customers for each text message sent using its service. So the bigger Uber, Airbnb and the WhatsApp messenger app got, the more revenue Twilio collected.

Subpar Margins

But Twilio stock plunged on a secondary offering that spooked investors, coupled with Uber's decision in May 2017 to diversify its software suppliers.

Other issues arose, such as Twilio's low gross margins because of fees paid to wireless network operators, like **Verizon Communications (VZ)** and others.

Bears called Twilio a commodity tools vendor that competed in a crowded market vs. Plivo, **Bandwidth (BAND)**, Voxbone and **Vonage's (VG)** Nexmo. In February 2018, Twilio stock still floundered at around 23 a share.

Then new customer growth and improved sales productivity kicked in, and Twilio stock rallied. Shares have

jumped 287% in 2018. Twilio has outperformed other enterprise software stocks amid a market correction that has hammered many technology companies.

Twilio Boosted By New COO

Help came when the software maker in March 2017 brought in George Hu as its new chief operating officer — a move analysts say has helped drive the company's strategy. Hu spent 13 years at Salesforce.com, including three years as COO.

Bullish analysts, like Piper Jaffray's Zukin, expect upside next year from Twilio's rollout of a new product — “Flex”-branded software for customer-service departments called “contact centers.”

Twilio's purchase of SendGrid also could provide a boost. SendGrid provides a cloud-based email marketing platform.

Twilio Adds More Customers

San Francisco-based Twilio has become less reliant on big customers. Its 10 biggest customers accounted for 17% of revenue in mid-2018, down from 31% two years earlier, says a Deutsche Bank report. Ride-hailing firm Uber used Twilio to send information to drivers and customers.

WhatsApp now accounts for 7% of revenue as Twilio's biggest customer. With WhatsApp, Twilio's business customers can send appointment reminders, order notifications or boarding passes to consumers.

Twilio's core market is still growing, analysts say, even as it branches out in customer support centers and email-based marketing through the SendGrid acquisition.

Adapted from an article published on December 14, 2018 in Investor's Business Daily.

Atlassian Shifts to Cloud Targeting Software Developers, Tech Teams



atlassian.com

Demand for the tools of software maker Atlassian has boomed as corporate tech departments race to deploy new digital technologies.

Software developers at many U.S. companies are under the gun to build and deploy applications faster and more reliably. These apps may be headed to company websites, mobile platforms or more often nowadays to the public cloud.

Atlassian's (TEAM) project management and bug-tracking tools make it easier for software developers to build, test and release software faster. And, Atlassian makes its tools available around the clock via its own cloud platform.

"More and more of our customers are choosing either our cloud service offerings or our data center offerings," said James Beer, Atlassian's chief financial officer, on the company's fiscal second-quarter earnings call in January.

Founded in Sydney in 2002, Atlassian found an early niche selling its Jira-branded project-tracking tools to product development teams. The company still gets two thirds of revenue from Jira tools and its Confluence document-collaboration software.

Atlassian Shift To Subscription Revenue

Atlassian's business model has evolved as corporate tech

departments shifted priorities. Its older source of revenue, on-site software licenses, is growing at a slower pace.

Atlassian, though, sells more subscription-based services via the internet. That provides recurring sales for the company, something it doesn't get from license fees.

Subscription fees accounted for 46% of revenue in fiscal 2018, which ended June 30, up from 24% in 2014. In the December quarter, revenue jumped 39% to \$299 million. Subscription revenue boomed 56% to \$152.5 million, accounting for more than half of sales.

New Customers Buy Cloud Products

The software maker says 85% of net new customers are buying some form of cloud products. Its customer base, meanwhile, has expanded from software developers to broader IT department teams.

Atlassian has been shifting to the cloud much like its customers. It put its software tools on the cloud infrastructure of Amazon Web Services, part of **Amazon.com (AMZN)**.

AWS operates data centers globally. Building a platform on AWS' cloud has enabled Atlassian to add customers across the world.

Atlassian's competitors include **Microsoft (MSFT)**, **IBM (IBM)**, **Hewlett Packard Enterprise (HPE)**, **Alphabet's (GOOGL)** Google, and **ServiceNow (NOW)**. In September, Atlassian purchased OpsGenie for \$295 million. OpsGenie offers incident tracking tools for tech departments.

To boost its cloud offerings, IBM in October agreed to buy **Red Hat (RHT)** for \$34 billion. Red Hat is a leader in a new cloud technology called containers. By using Red Hat's software containers, corporate developers build custom apps in private data centers and move workloads to public clouds.

Atlassian In DevOps

Microsoft, meanwhile, in June acquired GitHub for \$7.5 billion in stock. San Francisco-based GitHub provides a platform for TEAM-NA developers to host and review code and manage projects from open source to enterprise software. GitHub competes with Atlassian's BitBucket software coding platform.

With its growing suite of cloud tools, some analysts view Atlassian as a possible takeover target. Google's cloud-computing business and Microsoft loom as potential buyers, analysts say.

On the other hand, Oppenheimer analyst Ittai Kidron says Atlassian could make more purchases of its own targeting the nascent "DevOps" market. That refers to software developers and cloud operations.

"While Atlassian touches on many parts of the DevOps toolchain, its influence on the operations side has been somewhat limited until the recent acquisition of OpsGenie," Kidron said in a report to clients.

"We would expect the company to continue to take more steps to increase its influence, to extend its reach and influence across the entire DevOps chain. A strong \$1.2 billion cash position following a recent convertible debt offering provides it with plenty of ammunition."

Atlassian's Slack Deal

While it has plenty of competition in team collaboration tools, Atlassian no longer is a rival of well-funded startup Slack Technologies. Atlassian in July exited the workplace messaging space. Slack acquired intellectual property from Atlassian, which made a small investment in Slack, which is revving up an initial public offering.

Atlassian went public in December 2015 at 21 per share, raising \$462 million. It acquired Trello and its tech team project software for \$425 million in early 2017.

Adapted from an article published on February 1, 2019 in *Investor's Business Daily*.

Atlassian Corp

Atlassian Corp Plc Cl A (TEAM) NASDAQ Comp Sftwr-Spec Enterprs

Market Capitalization \$29.23 Bil(\$14.10 Bil)
 Shares in Float 113.5 Million
 Shares Outstanding 242.9 Mil(118.2 Mil)

Volume 1,374,000 \$120.34 -0.78
 50-Day Avg Volume 1,636,200
 Off 52-Week High -19.7%
 52-Week Hi-Lo \$149.80-\$84.18

Options Yes
 Short Interest 4.7 days -3%

HEADQUARTERS: AUSTRALIA

PHONE:

www.atlassian.com

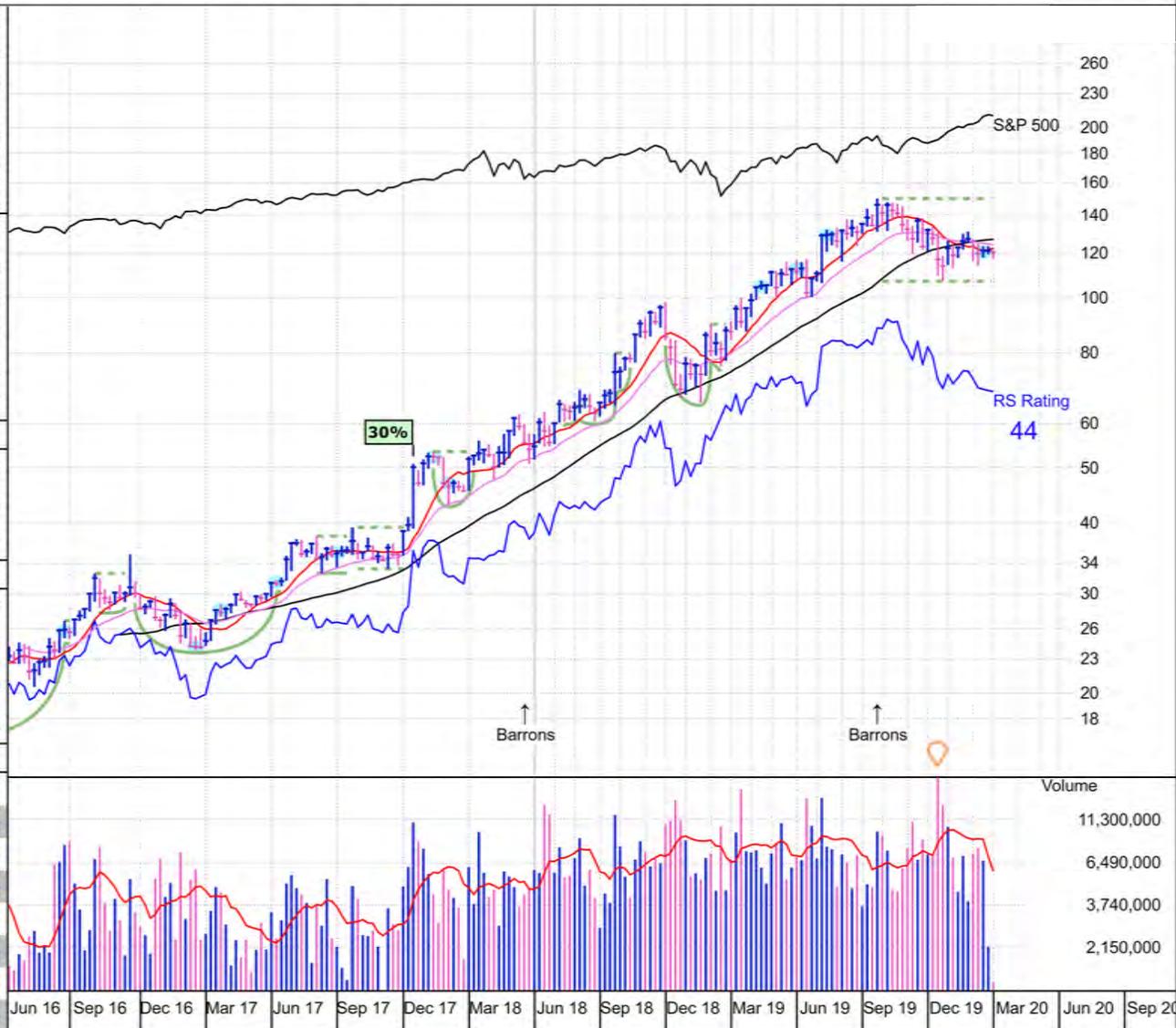
AUSTRALIAN COMPANY THAT DESIGNS AND DEVELOPS SOFTWARE TO HEL P TEAMS IN MANAGEMENT, COLLABORATION, INTEGRATION

10/17/19 Expects FY20 non-IFRS earnings of about \$1.00 per diluted share on revenues of \$1,560 mil to \$1,574 mil

IPO 12/10/2015

Year (Jun)	EPS (\$)	Price(\$) High Low	EPS Rating	99
2013	0.05		Group RS Rating	62
2014	0.09		SMR Rating	A
2015	0.28	31 26	Acc/Dis Rating	C-
2016	0.32	35 16	Composite Rating	77
2017	0.36	53 23	Timeliness Rating	C
2018	0.51	98 45	Sponsorship Rating	A
2019	0.86	149 84	EPS Growth Rate	39%
2020	1.02	est. 19%▲	Earnings Stability	13
2021	1.32	est. 29%▲	P/E Ratio	127 (6.4 X SP)
Yield NONE			5-Year P/E Range	53-170
ExDiv N/A			Return on Equity	29%
Book Value X51.26			Cash Flow	\$1.08
Inventory T/O N/A			Debt 0%	Ownership
U/D Vol Ratio 0.8			R&D 47.9%	Mgmt 3%
New CEO N/A			Alpha -0.01	Banks 0%
			Beta 1.48	Funds 61%
Top RS in Grp	Symbol	RS	EPS Rtg	No. of Funds
Ceridian	CDAY	95	61	Dec-18 437
Cloudera	CLDR	93	21	Mar-19 534
TylerTech	TYL	92	91	Jun-19 609
Avalara	AVLR	92	60	Sep-19 655
Appfolio	APPF	91	39	

Quarterly	EPS(\$)	% Chg	Sales(\$Mil)	% Chg
Dec-17	0.14	+56%	214.6	+44%
Mar-18	0.09	+13%	224.3	+40%
Jun-18	0.14	+56%	246.6	+41%
Sep-18	0.20	+43%	267.3	+37%
Dec-18	0.25	+79%	299.0	+39%
Mar-19	0.21	+133%	309.3	+38%
Jun-19	0.20	+43%	334.6	+36%
Sep-19	0.28	+40%	363.4	+36%



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Satya Nadella Hit Refresh With A Bold Vision For Microsoft's Future



microsoft.com

Satya Nadella was a surprise choice as the CEO of **Microsoft (MSFT)** in February 2014, only the third in its 40 years, after the legendary Bill Gates and Steve Ballmer.

He'd been the quiet and effective leader in charge of starting to move Microsoft's focus from permanent licensing software to cloud-based recurring subscription services, which pool computing resources to manage the tidal wave of data that overwhelmed traditional client-server networks.

Though Microsoft remained the largest desktop software maker, morale was low because PC sales were declining, none of its recent products had been hits, and it had largely missed out on the market shift to search, mobile devices, and social networking. **Apple (AAPL)** had surpassed it as the world's most valuable company four years earlier. But Nadella provided a bold vision of the company as the preferred platform for futuristic technology for his 100,000 colleagues in 190 countries.

"The Fourth Industrial Revolution lies ahead, one in which machine intelligence will rival that of humans," wrote Nadella, 51, in "Hit Refresh: The Quest to Rediscover Microsoft's Soul and Imagine a Better Future for Everyone." "The combination of cloud computing, sensors, Big Data, machine learning, and Artificial Intelligence, mixed reality and robotics foreshadows a socioeconomic change ripped from the pages of science fiction."

Microsoft's stock has risen from 37 when he took the helm to a high of 115 in October 2018. (It recently traded near 104.) And with its market capitalization currently around \$800 billion, it's battling **Amazon.com (AMZN)** to be the world's largest company by that metric.)

Deep Listener

Born in 1967 in Hyderabad, India, Nadella aspired to be a banker — leaving him plenty of time to play cricket. That passion gradually transferred to the personal computer he received at 15. But after failing the entrance exam to the Indian Institutes of Technology, Nadella settled for a degree in electrical engineering.

He decided to join a friend at the University of Wisconsin at Milwaukee, where he earned a degree in computer science in 1990. He then moved to Silicon Valley to take a job at Sun Microsystems.

Microsoft recruited Nadella two years later to work on its Windows NT operating system at the start of the company's rise to domination of the global PC software market. He proved a quick learner and great collaborator because he was that rare combination: an innovator thinker and eager listener to the ideas of others.

Nadella flew to Chicago on weekends to earn an MBA and went back to India briefly to marry his childhood sweetheart, Anu. They would have three children, one with cerebral palsy and another with learning challenges, who helped him develop more empathy — and a passion for using technology to help those disabled or impaired.

A Chance To Run A Business

By 2008, PC sales had leveled off, smartphones and tablets from Apple and **Google (GOOGL)** were rising, while Amazon.com had established itself as the leader in cloud-based services connecting the Internet of Things. Then-CEO Steve Ballmer invested billions to upgrade the response and tasked Nadella to revive its failed search engine, which would later be renamed Bing.

"For the first time, I was getting the chance to run a business end to end and I had spent five years preparing," wrote Nadella. "But I'd never worked in a consumer-facing business."

He quickly realized his team would need to: completely rethink how a network of servers would respond to the massive volume of queries; become expert at on-the-fly consumer product design to provide continuously great experiences; understand how to match the needs of consumers and advertisers; and be able to create machines that would instantly learn from their interactions. Relunched in June 2009, Bing now handles a quarter of all U.S. searches.

Tech's Future Is Now Arriving

To Nadella, the C in CEO means he's in charge of curating the organization's culture.

"Our culture had been rigid," he wrote. "Each employee had to prove to everyone that he or she knew it all and was the smartest person in the room. ... Meetings were formal. Everything had to be planned in perfect detail. ... Hierarchy had taken control and creativity had suffered."

His goal was to have a "growth mindset culture" that was all about listening, learning, and harnessing individual passions and talents. "At the core of our business must be the curiosity to meet a customer's unarticulated and unmet needs with great technology. We need to be willing to lean into uncertainty, to take risks, and to move quickly when we make mistakes, recognizing failure happens along the way to mastery."

Adapted from an article published on January 9, 2019 in *Investor's Business Daily*.

Microsoft Corp

Microsoft Corp (MSFT) NASDAQ Computer Sftwr-Desktop

Market Capitalization \$1203.06 Billion
 Shares in Float 7476.2 Million
 Shares Outstanding 7628.8 Million

Volume 33,783,200 \$157.70 -1.26
 50-Day Avg Volume 22,036,400
 Off 52-Week High -1.2%
 52-Week Hi-Lo \$159.55-\$97.20

Options Yes
 Short Interest 2.9 days +9%

HEADQUARTERS: Redmond, WA

PHONE: 425-882-8080

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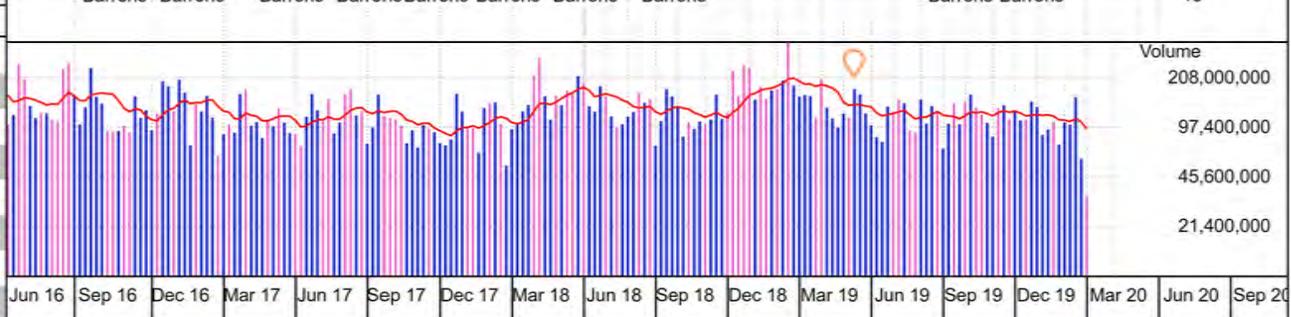
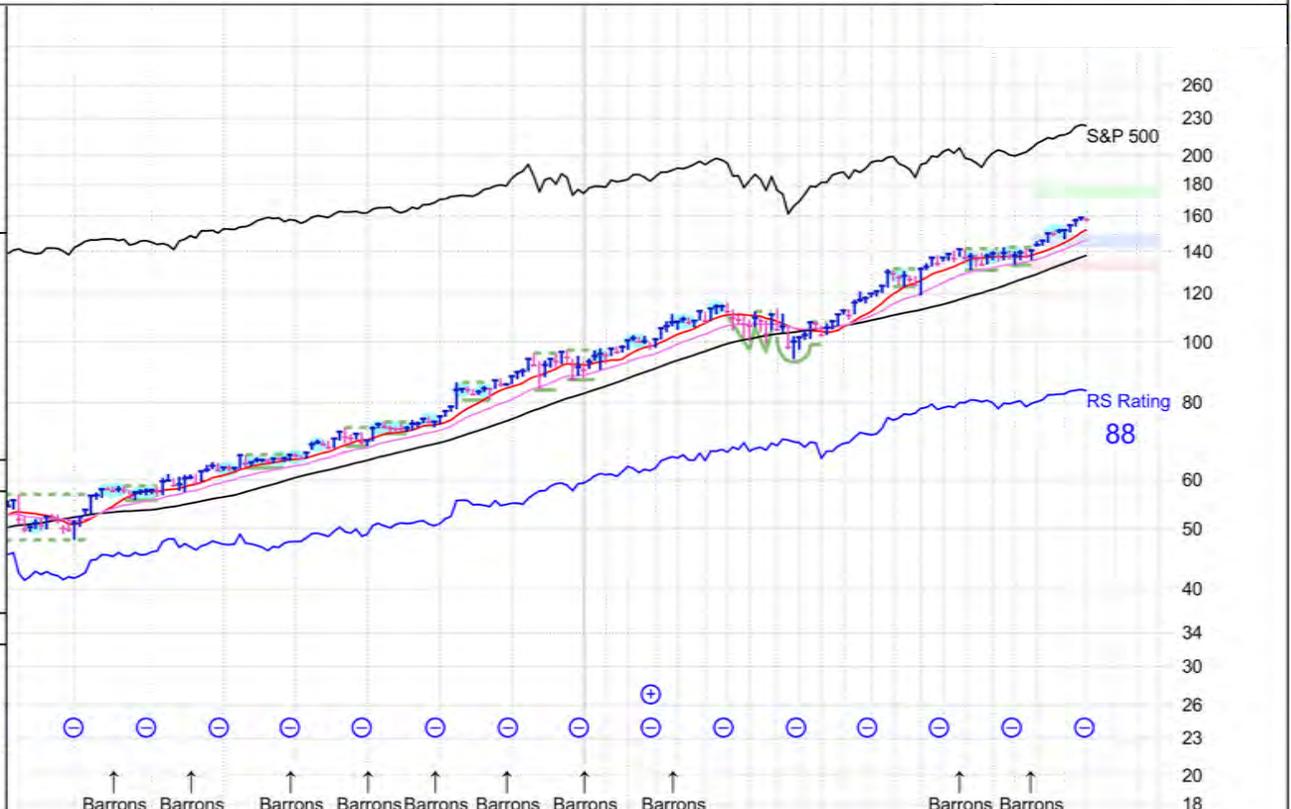
10/21/19 Acquired Mover, a provider of cloud file migration, terms undisclosed

IPO 3/17/1986

Year (Jun)	EPS (\$)	Price(\$) High Low	EPS Rating	94
2013	2.74	38 26	Group RS Rating	62
2014	2.64	50 34	SMR Rating	A
2015	2.59	56 39	Acc/Dis Rating	B+
2016	2.79	64 48	Composite Rating	98
2017	3.74	87 61	Timeliness Rating	A
2018	3.88	116 83	Sponsorship Rating	B
2019	4.75	159 97	EPS Growth Rate	15%
2020	5.39	est. 13%▲	Earnings Stability	5
2021	6.06	est. 12%▼	P/E Ratio	32 (1.6 X SP)
Yield		1.3%	5-Year P/E Range	15-32
ExDiv		2/19/20	Return on Equity	40%
Book Value		X11.75	Cash Flow	\$6.35
Inventory T/O		53.27X	Debt	65%
U/D Vol Ratio		2.1	R&D	13.4%
New CEO		02/2014	Alpha	0.05
			Beta	1.30

Top RS in Grp	Symbol	RS	EPS Rtg	No. of Funds
Cerence	CRNC	94	40	Dec-18 6060
Nuance	NUAN	91	59	Mar-19 6393
Adobe Inc	ADBE	86	98	Jun-19 6628
Pagerduty	PD	6	9	Sep-19 6781

Quarterly	EPS(\$)	% Chg	Sales(\$Bil)	% Chg
Dec-17	0.96	-1%	28.9	+12%
Mar-18	0.95	+16%	26.8	+16%
Jun-18	1.13	+7%	30.1	+17%
Sep-18	1.14	+36%	29.1	+19%
Dec-18	1.10	+15%	32.5	+12%
Mar-19	1.14	+20%	30.6	+14%
Jun-19	1.37	+21%	33.7	+12%
Sep-19	1.38	+21%	33.1	+14%



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Is ADBE Stock A Buy Right Now?



r.classen/Shutterstock.com

Adobe (ADBE) brings two words to mind: content creation. The Photoshop and Illustrator maker has also made an enviable pivot to a cloud-based, subscription model. But its attempt to become a “one stop shop” for digital content, marketing campaigns and data analytics comes with risk.

Investors may wonder if Adobe stock is a buy right now after years of big gains. ADBE stock is at record highs, while Adobe earnings growth is expected to pick up in fiscal 2020.

Adobe’s foray into digital marketing has been fueled by acquisitions and a **Microsoft (MSFT)** partnership. It’s pitted against large-cap peers **Salesforce.com (CRM)**, **Oracle (ORCL)**, **SAP (SAP)** and **IBM (IBM)** for marketing platforms.

Adobe Stock Technical Analysis

Shares of the software company rose 0.5% to 331.17 in stock market trading on Dec. 26, just below its Christmas Eve record intraday high. Adobe stock is modestly extended from a breakout past 310.10. The ADBE buy zone extends to 325.60.

Adobe stock cleared that cup-with-handle buy point Dec. 13 on a strong quarterly earnings beat. Fourth-quarter results underscored Adobe’s successful transition to the cloud.

The current consolidation, mostly below the 50-day line, stretched back to July 19. It’s a first-stage pattern after Adobe reset its base count in late 2018’s broad pullback.

The relative strength line is rising within a longer-term uptrend, but is not quite at new highs. A rising RS line signifies strength.

Adobe stock bottomed during the 2011 financial crisis near 23 and has since vaulted roughly 1,330%.

In 2019 so far, ADBE stock has jumped 46%. That compares to a 29% gain for the SPDR S&P 500 ETF (SPY) over the same period.

Adobe stock is also outpacing the First Trust Cloud Computing ETF (SKYY), which is up 26% year to date. The SKYY ETF holds a basket of roughly 60 cloud stocks including Adobe.

ADBE stock has a B Accumulation/Distribution Rating, a sign of moderate buying over the past 13 weeks. It is a well-traded stock with institutional backing: 3,391 funds owned Adobe stock as of September. That was up from 3,331 funds in June. Fidelity Contrafund (FCNTX) trimmed its sizable stake by a modest amount in the third quarter.

Adobe Earnings And Fundamental Analysis

The software maker earns an EPS Rating of 98 and an SMR Rating of A. Both are superior. The EPS rating reflects a company’s health on fundamental earnings metrics, and its SMR Rating gauges sales growth, profit margins and return on equity.

Adobe last reported on Dec. 13, posting Q4 earnings of \$2.29 per share, up 25%, on revenue of \$2.99 billion, up 21%. Both topped estimates.

Over the last three quarters, Adobe earnings growth has averaged 18%. That’s below the three-year EPS growth rate of 40%. Adobe earnings growth has accelerated for the past two quarters.

Sales growth has averaged 23% over the past three quarters and 24% over the past three years, which is good enough for a large-cap stock like Adobe.

Adobe’s 38.9% annual return on equity is well above the 17% or better you’d want to see. A 39.6% pre-tax margin and 44% debt-to-equity ratio also reflect solid fundamentals.

The San Jose, Calif.-based company is guiding for EPS of \$9.75 in fiscal 2020, up 24%, on revenue of \$13.5 billion, up 12%. The Wall Street consensus calls for Adobe earnings per share to rise 24% to \$9.79 in 2020 and a further 17% in 2021, according to Zacks Investment Research.

Thirteen analysts rate Adobe stock a buy, eight have a hold, and none has a sell, per Zacks.

A six-year transition from boxed and licensed software to cloud services has made Adobe one of the hottest technology stocks.

The company was founded in 1982, during the earliest days of desktop PC software. Now it offers a suite of cloud-based products for designing print and digital media, video editing, web development, photography, and more.

Besides Adobe and Microsoft, few legacy software companies have pulled off transitions to cloud computing and subscriptions, where consumers pay by the month or year. Many credit CEO Shantanu Narayen, who has led Adobe since 2007, for the transformation.

Subscription revenue grew 23% in Q4 and now makes up nearly all of Adobe’s revenue.

Adapted from an article published on December 26, 2019 in Investor’s Business Daily.

Adobe Inc

Adobe Inc (ADBE) NASDAQ Computer Sftwr-Desktop

Options Yes
Short Interest 3.1 days N/A%

Market Capitalization \$159.65 Billion
Shares in Float 479.2 Million
Shares Outstanding 484.1 Million

Volume 3,425,900 \$329.81 -0.98
50-Day Avg Volume 2,454,400
Off 52-Week High -0.9%
52-Week Hi-Lo \$332.88-\$215.15

HEADQUARTERS: San Jose, CA

PHONE: 408-536-6000

www.adobe.com

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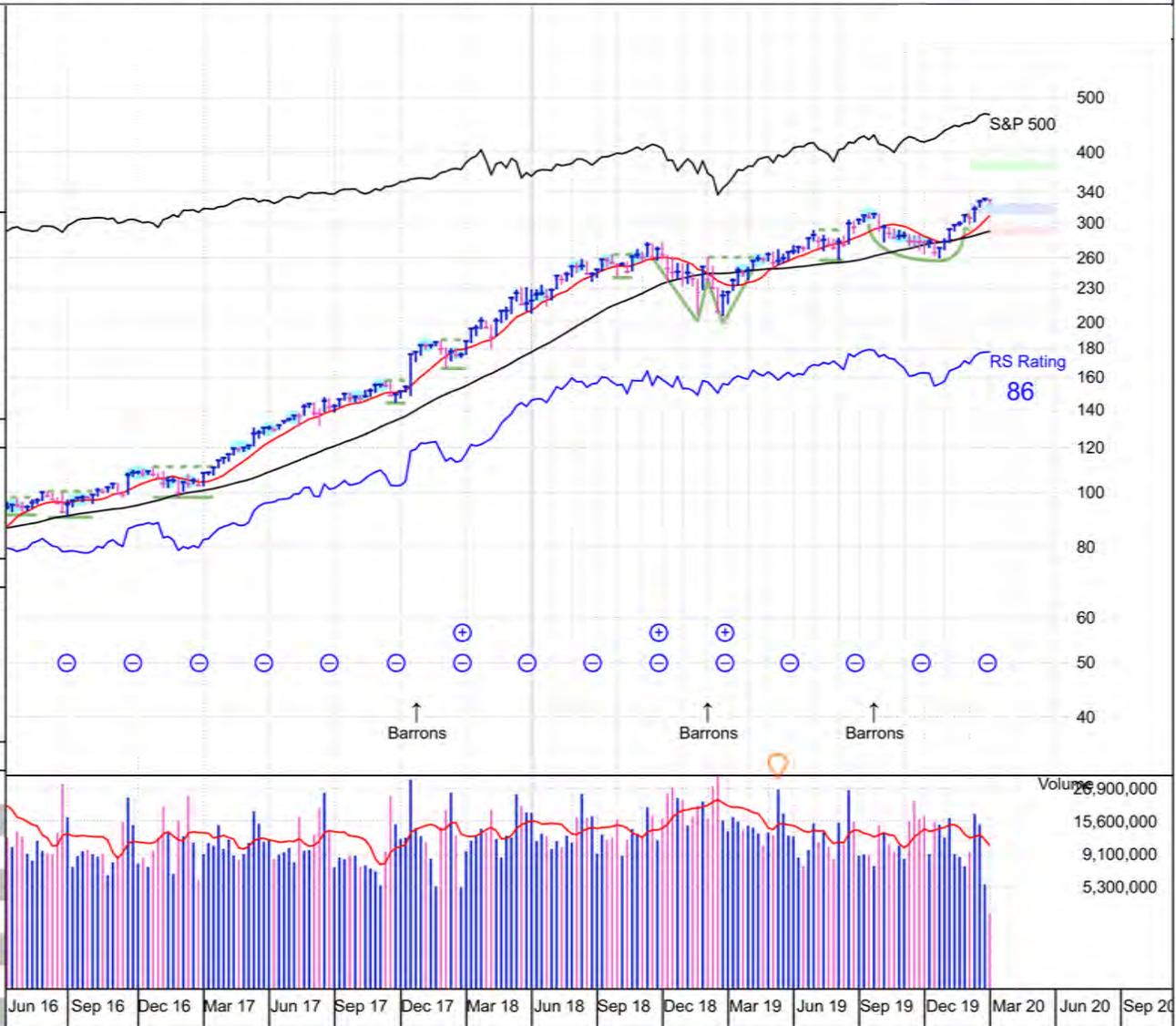
01/23/19 Acquired Algorithmic, a provider of 3D textures/materials in game and video post-production, terms undisclosed

IPO 8/14/1986

Year	EPS (\$)	Price(\$) High Low	EPS Rating	98
(Nov)			Group RS Rating	62
2013	1.34	61 36	SMR Rating	A
2014	1.33	77 57	Acc/Dis Rating	B
2015	2.08	96 68	Composite Rating	99
2016	3.01	111 71	Timeliness Rating	A
2017	4.31	186 102	Sponsorship Rating	B
2018	6.76	277 175	EPS Growth Rate	45%
2019	7.87	332 215	Earnings Stability	6
2020	9.81	est. 25%▲	P/E Ratio	42 (2.1 X SP)
2021	11.62	est. 18%▲	5-Year P/E Range	30-55
Yield		NONE	Return on Equity	39%
ExDiv	3/24/05		Cash Flow	\$7.99
Book Value	X16.98		Debt	44%
Inventory T/O	N/A		R&D	17.0%
U/D Vol Ratio	1.7		Alpha	0.02
New CEO	12/2007		Beta	1.34

Top RS in Grp	Symbol	RS	EPS Rtg	No. of Funds
Cerence	CRNC	94	40	Dec-18 2845
Nuance	NUAN	91	59	Mar-19 3076
Microsoft	MSFT	88	94	Jun-19 3274
Pagerduty	PD	6	9	Sep-19 3344

Quarterly	EPS(\$)	% Chg	Sales(\$Mil)	% Chg
Feb-18	1.55	+65%	2079.0	+24%
May-18	1.66	+63%	2195.4	+24%
Aug-18	1.73	+57%	2291.1	+24%
Nov-18	1.83	+45%	2464.6	+23%
Feb-19	1.71	+10%	2601.0	+25%
May-19	1.83	+10%	2744.3	+25%
Aug-19	2.05	+18%	2834.1	+24%
Nov-19	2.29	+25%	2991.9	+21%



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12.31.2019

Apple 2020 Predictions: 5G iPhones But No Smart Glasses



Novikov Aleksey/Shutterstock.com

Apple's (AAPL) new hardware this year, including iPhone 11 smartphones and AirPods Pro wireless earbuds, were well received. But what does the consumer electronics giant have planned for 2020? Apple stock already has been rising on the outlook for 5G iPhones.

Analysts widely expect Apple to debut 5G wireless-enabled handsets in fall 2020 with its 14th-generation iPhones. The number of models, however, remains a subject of debate.

In addition to a revamped flagship iPhone family, Apple is seen coming out with a new lower-cost smartphone. The rumored iPhone SE2 likely will be released in early 2020, multiple analysts say.

In a note to clients Tuesday, Cowen analyst Krish Sankar called Apple stock one of his "favorite ideas" for 2020. He pointed to 5G iPhones and the SE2 as catalysts to drive earnings. The SE2 will be targeted to "price-sensitive geographies," he said.

Apple Stock: Several 5G iPhones In The Works

Sankar expects Apple to release at least three 5G iPhones, including two with OLED displays and one with an LCD screen.

For calendar 2020, he forecasts iPhone unit sales of 197 million, up 3% from 2019.

Sankar also is bullish on Apple stock when it comes to wearables, including AirPods and Apple Watch, and services, such as Apple TV+ and Apple Music. He forecasts subscription services reaching 11% of total company sales in fiscal 2021 vs. 8% today. Apple's current fiscal 2020 ends Sept. 26.

Apple Stock Notches All-Time High

Sankar reiterated his outperform rating on Apple stock and raised his price target to 325 from 290.

Apple stock rose 0.2% to close at 280.41 on the stock market today. In intraday trading, it carved a record high of 281.77.

The biggest risk to Apple's business next year is the possibility of further market share loss for iPhones in China, Sankar said. But share gains in India could offset those losses, he said.

"Apple's iPhone demand trends in China remain a key risk for the next one to two years owing to the lack of 5G support (at least for the next 3-4 quarters), price sensitivity, and potential consumer preference for domestic mobile brands," Sankar said. "Until the company has a 5G offering and/or is able to address the low-cost price tier (i.e., SE2) we believe iPhone sales could remain challenged in fiscal 2020."

5G iPhones Will Be \$200 More Expensive Than 4G Models

Rosenblatt Securities analyst Jun Zhang said Apple could come out with six models of its next-generation smartphone series, which he calls the iPhone 12. Those six models would include three 4G handsets and three 5G handsets, he said in a Dec. 9 note to clients on Apple stock.

"We expect 5G models of iPhones will be \$200 more expensive than 4G versions," he said.

The entry-level iPhone 12 would have a 6.1-inch LCD screen and only have 4G wireless. The midrange iPhone 12 Pro models would have OLED screens in 5.4-inch and 6.1-inch sizes with a choice of either 4G or 5G versions. And the top-of-the-line iPhone 12 Pro Max would have a jumbo 6.7-inch OLED screen and only come with 5G wireless, Zhang said.

2020 Predictions Conflict On Apple Smart Glasses

Despite conflicting media reports, Apple is unlikely to release a pair of smart glasses in 2020, Tim Bajarin, president of research and consulting firm Creative Strategies, told IBD. Apple has been working on an augmented-reality headset for years. Augmented reality overlays digital images and information in a person's field of view.

In October, TF International Securities analyst Ming-Chi Kuo said in a report on that Apple was collaborating with third-party brands on an AR headset for release in second-quarter 2020.

In November, DigiTimes said Apple was working with video game developer Valve on "AR head-mounted display devices."

Later in November, The Information reported that Apple plans to release an augmented reality headset in 2022, followed by a sleek set of smart glasses in 2023.

Apple's smart glasses probably will come out in 2023 or 2024, Bajarin said. The optics, batteries, processors and communications chips are not advanced enough yet to create a pair of comfortable, stylish eyeglasses for all-day use, he said.

"I believe that AR is going to be the next major computing platform," he said. But Apple is going to take its time to make sure the product is fully baked before releasing it, Bajarin said.

Adapted from an article published on December 17, 2019 in *Investor's Business Daily*.

Apple Inc

Apple Inc (AAPL) NASDAQ Telecom-Consumer Prods

Volume 60,569,900 \$293.65 +3.85

Options Yes
Short Interest 2.0 days -17%

Market Capitalization \$1304.77 Billion
Shares in Float 4398.8 Million
Shares Outstanding 4443.3 Million

50-Day Avg Volume 25,479,300
Off 52-Week High -0.1%
52-Week Hi-Lo \$293.97-\$142.00

HEADQUARTERS: Cupertino, CA

PHONE: 408-996-1010

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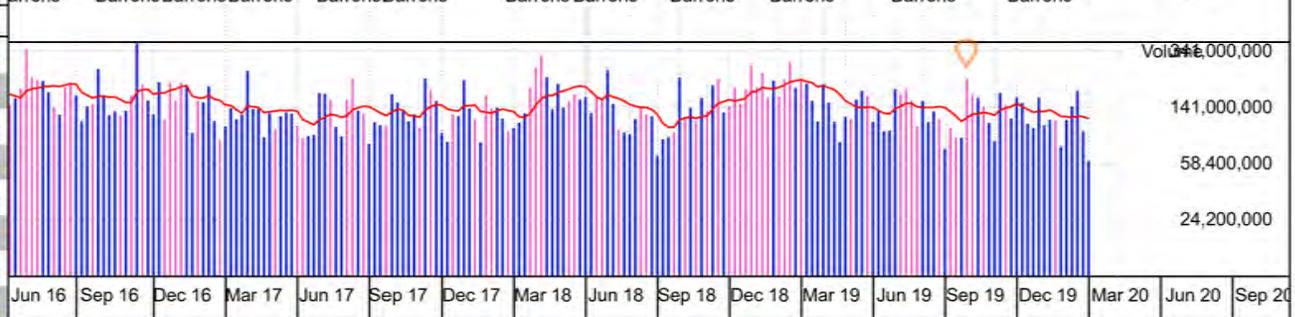
12/02/19 Acquired Smartphone Modem Business from Intel, for about \$1 bil

IPO 12/12/1980

Year (Sep)	EPS (\$)	Price(\$) High Low	EPS Rating	65
2013	5.68	82 55	Group RS Rating	85
2014	6.45	119 70	SMR Rating	B
2015	9.22	134 92	Acc/Dis Rating	B-
2016	8.31	118 89	Composite Rating	90
2017	9.21	177 114	Timeliness Rating	B
2018	11.91 ▲	233 146	Sponsorship Rating	B
2019	11.89	293 142	EPS Growth Rate	11%
2020	13.07 est.	10%▲	Earnings Stability	8
2021	14.92 est.	14%▲	P/E Ratio	25 (1.3 X SP)
Yield	1.1%		5-Year P/E Range	10-25
ExDiv	11/07/19		Return on Equity	56%
Book Value	X14.31		Cash Flow	\$15.26
Inventory T/O	64.54X		Debt	101%
U/D Vol Ratio	1.5		R&D	6.2%
New CEO	08/2011		Alpha	0.09
			Beta	1.56
Ownership				
Mgmt	1%			
Banks	2%			
Funds	27%			
Top RS in Grp	Symbol	RS	EPS Rtg	No. of Funds
Ooma	OOMA	73	59	Dec-18 4930
Motorola	MSI	57	91	Mar-19 4969
Tessco	TESS	8	6	Jun-19 5018
				Sep-19 5065



Quarterly	EPS(\$)	% Chg	Sales(\$Bil)	% Chg
Dec-17	3.89	+16%	88.3	+13%
Mar-18	2.73	+30%	61.1	+16%
Jun-18 ▲	2.34	+40%	53.3	+17%
Sep-18	2.91	+41%	62.9	+20%
Dec-18	4.18	+7%	84.3	-5%
Mar-19	2.46	-10%	58.0	-5%
Jun-19	2.18	-7%	53.8	+1%
Sep-19	3.03	+4%	64.0	+2%



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12.31.2019

TOP STOCKS 2019 | Shift Gears When the Market Turns

Symbol	Company Name	% Gain to 2019 High	Sector	Industry Group
AIR	A A R Corp	41	AEROSPACE	Aerospace/Defense
AJRD	Aerjet Rocketdyne Hldgs	49	AEROSPACE	Aerospace/Defense
CAE	C A E Inc	52	AEROSPACE	Aerospace/Defense
CW	Curtiss-Wright Corp	41	AEROSPACE	Aerospace/Defense
EADSY	Airbus SE Adr	58	AEROSPACE	Aerospace/Defense
HEI	Heico Corp	90	AEROSPACE	Aerospace/Defense
HEIA	Heico Corp Cl A	80	AEROSPACE	Aerospace/Defense
HXL	Hexcel Corp	51	AEROSPACE	Aerospace/Defense
KTOS	Kratos Def & Sec Sol Inc	78	AEROSPACE	Aerospace/Defense
LHX	L3Harris Technologies	61	AEROSPACE	Aerospace/Defense
LMT	Lockheed Martin Corp	52	AEROSPACE	Aerospace/Defense
MRCY	Mercury Systems Inc	89	AEROSPACE	Aerospace/Defense
NOC	Northrop Grumman Corp	56	AEROSPACE	Aerospace/Defense
OSIS	O S I Systems Inc	59	AEROSPACE	Aerospace/Defense
TDG	Transdigm Group Inc	87	AEROSPACE	Aerospace/Defense
TDY	Teledyne Tech Inc	69	AEROSPACE	Aerospace/Defense
AGCO	A G C O Corp	46	AGRICULTRE	Machinery-Farm
ALG	Alamo Group Inc	68	AGRICULTRE	Machinery-Farm
DAR	Darling Ingredients Inc	46	AGRICULTRE	Agricultural Operations
FMC	F M C Corp	59	AGRICULTRE	Chemicals-Agricultural
SMG	Scotts Miracle-Gro Co	86	AGRICULTRE	Chemicals-Agricultural
BFB	Brown Forman Corp Clb	45	ALCOHL/TOB	Beverages-Alcoholic
MGPI	M G P Ingredients Inc	75	ALCOHL/TOB	Beverages-Alcoholic
SAM	Boston Beer Company	84	ALCOHL/TOB	Beverages-Alcoholic
TPB	Turning Point Brands Inc	109	ALCOHL/TOB	Tobacco
ADDYY	Adidas Ag Adr	58	APPAREL	Apparel-Shoes & Rel Mfg
CROX	Crocs Inc	62	APPAREL	Apparel-Shoes & Rel Mfg
DECK	Deckers Outdoor Corp	41	APPAREL	Apparel-Shoes & Rel Mfg
LVMUY	L V M H Moet Hennessy	60	APPAREL	Apparel-Clothing Mfg
SHOO	Steven Madden Limited	48	APPAREL	Apparel-Shoes & Rel Mfg
SKX	Skechers U S A Inc Cl A	94	APPAREL	Apparel-Shoes & Rel Mfg
UA	Under Armour Inc Cl C	51	APPAREL	Apparel-Clothing Mfg
UAA	Under Armour Inc Cl A	56	APPAREL	Apparel-Clothing Mfg
VFC	V F Corp	49	APPAREL	Apparel-Clothing Mfg
GNTX	Gentex Corp	47	AUTO	Auto/Truck-Original Eqp
PCAR	Paccar Inc	45	AUTO	Trucks & Parts-Hvy Duty
RACE	Ferrari N V	73	AUTO	Auto Manufacturers
BAC	Bank Of America Corp	44	BANKS	Banks-Money Center
BOH	Bank Of Hawaii Corp	42	BANKS	Banks-West/Southwest
CIB	Bancolumbia Sa Ads	47	BANKS	Banks-Foreign
FCNCA	First Citizens Bancshs A	43	BANKS	Banks-Southeast
HMST	HomeStreet Inc	66	BANKS	Banks-West/Southwest
JPM	J P Morgan Chase & Co	43	BANKS	Banks-Money Center

Symbol	Company Name	% Gain to 2019 High	Sector	Industry Group
OFG	O F G Bancorp	51	BANKS	Banks-Southeast
WAFD	Washington Federal Inc	43	BANKS	Banks-West/Southwest
AAON	A A O N Inc	51	BUILDING	Bldg-A/C & Heating Prds
ACM	Aecom Technology Corp	67	BUILDING	Bldg-Heavy Construction
ATKR	Atkore International Grp	115	BUILDING	Bldg-Constr Prds/Misc
AWI	Armstrong World Inds	79	BUILDING	Bldg-Constr Prds/Misc
BLD	Topbuild Corp	152	BUILDING	Bldg-Constr Prds/Misc
BLDR	Builders Firstsource Inc	138	BUILDING	Bldg-Constr Prds/Misc
BMCH	B M C Stock Holdings Inc	94	BUILDING	Bldg-Constr Prds/Misc
CRH	C R H Plc Adr	54	BUILDING	Bldg-Cement/Concrt/Ag
DHI	D R Horton Inc	61	BUILDING	Bldg-Resident/Comml
J	Jacobs Engineering Group	67	BUILDING	Bldg-Heavy Construction
KBR	K B R Inc	103	BUILDING	Bldg-Heavy Construction
LGIH	L G I Homes Inc	96	BUILDING	Bldg-Resident/Comml
MAS	Masco Corp	65	BUILDING	Bldg-Constr Prds/Misc
MDC	M D C Holdings Inc	79	BUILDING	Bldg-Resident/Comml
MHO	M I Homes Inc	121	BUILDING	Bldg-Resident/Comml
MLM	Martin Marietta Materls	63	BUILDING	Bldg-Cement/Concrt/Ag
MTH	Meritage Homes Corp	109	BUILDING	Bldg-Resident/Comml
MTZ	Mastec Inc	81	BUILDING	Bldg-Heavy Construction
NVR	N V R Inc	61	BUILDING	Bldg-Resident/Comml
PHM	Pulte Group Inc	58	BUILDING	Bldg-Resident/Comml
PWR	Quanta Services Inc	46	BUILDING	Bldg-Heavy Construction
SHW	Sherwin-Williams Co	51	BUILDING	Chemicals-Paints
SSD	Simpson Manufacturing	57	BUILDING	Bldg-Constr Prds/Misc
TREX	Trex Company Inc	57	BUILDING	Bldg-Constr Prds/Misc
TTC	Toro Co	46	BUILDING	Bldg-Hand Tools
UFPI	Universal Forest Prods	103	BUILDING	Bldg-Wood Prds
VMC	Vulcan Materials Co	54	BUILDING	Bldg-Cement/Concrt/Ag
WMS	Advanced Drainage Systms	65	BUILDING	Bldg-Constr Prds/Misc
WTS	Watts Water Technologies	56	BUILDING	Bldg-Constr Prds/Misc
AAXN	Axon Enterprise Inc	77	BUSINS SVC	Security/Sfty
ACN	Accenture Plc	51	BUSINS SVC	Computer-Tech Services
ALLE	Allegion Plc	57	BUSINS SVC	Security/Sfty
BAH	Booz Allen Hamilton Cl A	73	BUSINS SVC	Comml Svcs-Consulting
BCO	Brinks Co	46	BUSINS SVC	Security/Sfty
CACI	C A C I Intl Cl A	75	BUSINS SVC	Computer-Tech Services
CBZ	C B I Z Inc	43	BUSINS SVC	Comml Svcs-Consulting
CDW	CDW	78	BUSINS SVC	Computer-Tech Services
CRVL	Corvel Corp	52	BUSINS SVC	Comml Svcs-Healthcare
CSGP	Costar Group Inc	89	BUSINS SVC	Comml Svcs-Market Rsrch
CSGS	C S G Systems Inc	84	BUSINS SVC	Comml Svcs-Outsourcing
CTAS	Cintas Corp	65	BUSINS SVC	Comml Svcs-Outsourcing

Symbol	Company Name	% Gain to 2019 High	Sector	Industry Group
DAVA	Endava Plc Cl A Ads	106	BUSINS SVC	Computer-Tech Services
EGOV	N I C Inc	95	BUSINS SVC	Computer-Tech Services
EME	Emcor Group Inc	56	BUSINS SVC	Bldg-Maintenance & Svc
EPAM	Epam Systems Inc	87	BUSINS SVC	Computer-Tech Services
EXPO	Exponent Inc	43	BUSINS SVC	Comml Svcs-Consulting
FCN	F T I Consulting Inc	77	BUSINS SVC	Comml Svcs-Consulting
FDS	Factset Research Sys Inc	52	BUSINS SVC	Comml Svcs-Market Rsrch
FSS	Federal Signal Corp	79	BUSINS SVC	Security/Sfty
FTDR	Frontdoor Inc	100	BUSINS SVC	Bldg-Maintenance & Svc
G	Genpact Ltd	65	BUSINS SVC	Comml Svcs-Outsourcing
GLOB	Globant SA	99	BUSINS SVC	Computer-Tech Services
HHR	Headhunter Group Plc Ads	57	BUSINS SVC	Comml Svcs-Staffing
HMSY	H M S Holdings Corp	44	BUSINS SVC	Comml Svcs-Healthcare
ICFI	I C F International Inc	44	BUSINS SVC	Comml Svcs-Consulting
LDOS	Leidos Holdings Inc	87	BUSINS SVC	Comml Svcs-Consulting
MANT	Mantech International	64	BUSINS SVC	Computer-Tech Services
MCO	Moodys Corporation	71	BUSINS SVC	Comml Svcs-Market Rsrch
MORN	Morningstar Inc	49	BUSINS SVC	Comml Svcs-Market Rsrch
NSP	Insperty Inc	55	BUSINS SVC	Comml Svcs-Outsourcing
PRFT	Perficient Inc	107	BUSINS SVC	Computer-Tech Services
PRSP	Perspecta Inc	73	BUSINS SVC	Computer-Tech Services
RAMP	Liveramp Holdings Inc	63	BUSINS SVC	Computer-Tech Services
SERV	Servicemaster Glb Hldgs	59	BUSINS SVC	Bldg-Maintenance & Svc
SPGI	S&P Global Inc	62	BUSINS SVC	Comml Svcs-Market Rsrch
SYKE	Sykes Enterprises Inc	54	BUSINS SVC	Comml Svcs-Outsourcing
TNET	Trinet Group Inc	83	BUSINS SVC	Comml Svcs-Outsourcing
TRI	Thomson Reuters Corp	51	BUSINS SVC	Comml Svcs-Market Rsrch
TTD	The Trade Desk Inc Cl A	149	BUSINS SVC	Comml Svcs-Advertising
TTEC	T Tec Holdings Inc	76	BUSINS SVC	Comml Svcs-Outsourcing
UNF	Unifirst Corp	49	BUSINS SVC	Comml Svcs-Outsourcing
VRSK	Verisk Analytics Inc	51	BUSINS SVC	Comml Svcs-Market Rsrch
VVI	Viad Corp	44	BUSINS SVC	Comml Svcs-Advertising
WNS	W N S Holdings Ltd Ads	62	BUSINS SVC	Comml Svcs-Outsourcing
APD	Air Products & Chemicals	51	CHEMICAL	Chemicals-Specialty
CE	Celanese Corp	43	CHEMICAL	Chemicals-Basic
IOSP	Innospec Inc	73	CHEMICAL	Chemicals-Specialty
NGVT	Ingevity Corporation	43	CHEMICAL	Chemicals-Specialty
ADI	Analog Devices	45	CHIPS	Elec-Semiconductor Mfg
AMAT	Applied Materials Inc	92	CHIPS	Elec-Semiconductor Equip
AMBA	Ambarella Inc	91	CHIPS	Elec-Semicondctor Fablss
AMD	Advanced Micro Devices	156	CHIPS	Elec-Semicondctor Fablss
ASML	A S M L Holding N.V. NY	91	CHIPS	Elec-Semiconductor Equip
BRKS	Brooks Automation	92	CHIPS	Elec-Semiconductor Equip

Symbol	Company Name	% Gain to 2019 High	Sector	Industry Group
CCMP	Cabot Microelectronics	68	CHIPS	Elec-Semiconductor Equip
CREE	Cree Inc	61	CHIPS	Elec-Semiconductor Mfg
CRUS	Cirrus Logic Inc	151	CHIPS	Elec-Semicondctor Fablss
CY	Cypress Semiconductor	85	CHIPS	Elec-Semiconductor Mfg
DIOD	Diodes Incorporated	74	CHIPS	Elec-Semiconductor Mfg
ENTG	Entegris Inc	84	CHIPS	Elec-Semiconductor Equip
FORM	Formfactor Inc	86	CHIPS	Elec-Semiconductor Equip
IPHI	Inphi Corp	141	CHIPS	Elec-Semicondctor Fablss
KLAC	K L A Corp	101	CHIPS	Elec-Semiconductor Equip
LRCX	Lam Research Corp	119	CHIPS	Elec-Semiconductor Equip
LSCC	Lattice Semiconductor	211	CHIPS	Elec-Semicondctor Fablss
MCHP	Microchip Tech	47	CHIPS	Elec-Semiconductor Mfg
MPWR	Monolithic Power Systems	57	CHIPS	Elec-Semicondctor Fablss
MRVL	Marvell Technology Group	75	CHIPS	Elec-Semicondctor Fablss
MXL	Maxlinear Inc	63	CHIPS	Elec-Semicondctor Fablss
NXPI	Nxp Semiconductors N V	76	CHIPS	Elec-Semicondctor Fablss
PI	Impinj Inc	176	CHIPS	Elec-Semiconductor Mfg
POWI	Power Integrations Inc	67	CHIPS	Elec-Semiconductor Mfg
QCOM	Qualcomm Inc	65	CHIPS	Elec-Semicondctor Fablss
QRVO	Qorvo Inc	95	CHIPS	Elec-Semiconductor Mfg
ROG	Rogers Corp	108	CHIPS	Elec-Semiconductor Mfg
SLAB	Silicon Laboratories Inc	48	CHIPS	Elec-Semicondctor Fablss
STM	Stmicroelectronics N V	100	CHIPS	Elec-Semiconductor Mfg
SWKS	Skyworks Solutions Inc	83	CHIPS	Elec-Semiconductor Mfg
TER	Teradyne Inc	122	CHIPS	Elec-Semiconductor Equip
TSM	Taiwan Semiconductor Adr	61	CHIPS	Elec-Semiconductor Mfg
XLNX	Xilinx Inc	66	CHIPS	Elec-Semicondctor Fablss
XPER	Xperi Corporation	40	CHIPS	Elec-Semicondctor Fablss
ANET	Arista Networks Inc	57	COMPUTER	Computer-Networking
DELL	Dell Technologies Cl C	44	COMPUTER	Computer-Hardware/Perip
FSCT	Forescout Technologies	78	COMPUTER	Computer-Hardware/Perip
PAR	Par Technology Corp	45	COMPUTER	Computer-Integrated Syst
PSN	Parsons Corporation	42	COMPUTER	Computer-Integrated Syst
XRX	Xerox Holdings Corp	99	COMPUTER	Computer-Hardware/Perip
AFYA	Afya Limited Cl A	45	CONSUMER	Consumer Svcs-Education
BFAM	Bright Horizns Fam Solns	50	CONSUMER	Consumer Svcs-Education
BRBR	Bellring Brands Inc Cl A	46	CONSUMER	Cosmetics/Personal Care
CECO	Career Education Corp	97	CONSUMER	Consumer Svcs-Education
CHGG	Chegg Inc	69	CONSUMER	Consumer Svcs-Education
CRON	Cronos Group Inc	141	CONSUMER	Consumer Prod-Specialty
ECL	Ecolab Inc	42	CONSUMER	Soap & Clnng Preparatns
EDU	New Orientl Edu&Tech Ads	134	CONSUMER	Consumer Svcs-Education
EL	Estee Lauder Cos Cl A	60	CONSUMER	Cosmetics/Personal Care

TOP STOCKS 2019 | Shift Gears When the Market Turns

Symbol	Company Name	% Gain to 2019 High	Sector	Industry Group
GRMN	Garmin Ltd	56	CONSUMER	Consumer Prod-Electronic
GSX	GSX Techedu Inc Cl A Ads	114	CONSUMER	Consumer Svcs-Education
HAS	Hasbro Inc	56	CONSUMER	Leisure-Toys/Games/Hobby
IRBT	Irobot Corp	58	CONSUMER	Hsehold-Appliances/Wares
KNL	Knoll Inc	71	CONSUMER	Hsehold/Office Furniture
LEG	Leggett & Platt Inc	54	CONSUMER	Hsehold/Office Furniture
LRN	K12 Inc	50	CONSUMER	Consumer Svcs-Education
MLHR	Herman Miller Inc	64	CONSUMER	Hsehold/Office Furniture
SCS	Steelcase Inc	55	CONSUMER	Hsehold/Office Furniture
STRA	Strategic Education Inc	67	CONSUMER	Consumer Svcs-Education
TAL	T A L Education Gp A Ads	83	CONSUMER	Consumer Svcs-Education
TPX	Tempur Sealy Intl Inc	123	CONSUMER	Hsehold/Office Furniture
AXE	Anixter International	72	ELECTRNCS	Electronic-Parts
BHE	Benchmark Electronics	69	ELECTRNCS	Elec-Contract Mfg
ITRI	Itron Inc	80	ELECTRNCS	Elec-Scientific/Msrg
JBL	Jabil Inc	78	ELECTRNCS	Elec-Contract Mfg
KEYS	Keysight Technologies	77	ELECTRNCS	Elec-Scientific/Msrg
KN	Knowles Corporation	71	ELECTRNCS	Elec-Misc Products
MTD	Mettler Toledo Intl Inc	54	ELECTRNCS	Elec-Scientific/Msrg
MTSC	M T S Systems Corp	57	ELECTRNCS	Elec-Scientific/Msrg
NOVT	Novanta Inc	52	ELECTRNCS	Elec-Scientific/Msrg
OLED	Universal Display Corp	146	ELECTRNCS	Elec-Misc Products
PLXS	Plexus Corp	55	ELECTRNCS	Elec-Contract Mfg
SYNA	Synaptics Inc	85	ELECTRNCS	Elec-Misc Products
TRMB	Trimble Inc	40	ELECTRNCS	Elec-Misc Products
ZBRA	Zebra Technologies Corp	63	ELECTRNCS	Elec-Misc Products
ACA	Arcosa Inc	67	ENERGY	Energy-Alternative/Other
BEP	Brookfield Ren Prtnrs LP	88	ENERGY	Energy-Alternative/Other
CSIQ	Canadian Solar Inc	80	ENERGY	Energy-Solar
CVI	C V R Energy Inc	61	ENERGY	Oil&Gas-Refining/Mktg
CZZ	Cosan Ltd Cl A	167	ENERGY	Oil&Gas-Refining/Mktg
ENPH	Enphase Energy Inc	648	ENERGY	Energy-Solar
GTLS	Chart Industries Inc	47	ENERGY	Oil&Gas-Machinery/Equip
HCC	Warrior Met Coal Inc	41	ENERGY	Energy-Coal
INSW	International Seaways	79	ENERGY	Oil&Gas-Transprt/Pipeline
INT	World Fuel Services Corp	107	ENERGY	Oil&Gas-Refining/Mktg
LUKOY	Lukoil P J S C Adr	40	ENERGY	Oil&Gas-Integrated
NFE	New Fortress Energy Cl A	49	ENERGY	Oil&Gas-Integrated
OKE	Oneok Inc	43	ENERGY	Oil&Gas-Transprt/Pipeline
ORA	Ormat Technologies Inc	51	ENERGY	Energy-Alternative/Other
PARR	Par Pacific Holdings Inc	81	ENERGY	Oil&Gas-Refining/Mktg
PEGI	Pattern Energy Group Inc	53	ENERGY	Energy-Alternative/Other
PSXP	Phillips 66 Partners LP	49	ENERGY	Oil&Gas-Transprt/Pipeline

Symbol	Company Name	% Gain to 2019 High	Sector	Industry Group
PUMP	Propetro Holding Corp	106	ENERGY	Oil&Gas-Field Services
RUN	Sunrun Inc	96	ENERGY	Energy-Solar
SEDG	Solaredge Technologies	175	ENERGY	Energy-Solar
STNG	Scorpio Tankers Inc	125	ENERGY	Oil&Gas-Transprt/Pipeline
TNK	Teekay Tankers Ltd Cl A	230	ENERGY	Oil&Gas-Transprt/Pipeline
TPL	Texas Pacific Land Trust	69	ENERGY	Oil&Gas-Royalty Trust
TRP	Tc Energy Corp	51	ENERGY	Oil&Gas-Transprt/Pipeline
AER	Aercap Holdings Nv	58	FINANCE	Commf Svcs-Leasing
ALLY	Ally Financial Inc	56	FINANCE	Financial Svcs-Specialty
APO	Apollo Global Mgmt Inc	98	FINANCE	Finance-Investment Mgmt
ARES	Ares Management Crp Cl A	101	FINANCE	Finance-Investment Mgmt
AYR	Aircastle Ltd	88	FINANCE	Commf Svcs-Leasing
BAM	Brookfield Asset Mgmt A	53	FINANCE	Finance-Investment Mgmt
BIP	Brookfield Infrast Ptnrs	53	FINANCE	Finance-Investment Mgmt
BX	Blackstone Group Inc	90	FINANCE	Finance-Investment Mgmt
CATM	Cardtronics Plc	69	FINANCE	Finance-CrdtCard/PmtPr
CG	The Carlyle Group L P	103	FINANCE	Finance-Investment Mgmt
CNNE	Cannae Holdings Inc	125	FINANCE	Finance-Investment Mgmt
CNS	Cohen & Steers Inc	98	FINANCE	Finance-Investment Mgmt
CODI	Compass Diversified Hldg	111	FINANCE	Finance-Investment Mgmt
DFS	Discover Financial Svcs	57	FINANCE	Finance-CrdtCard/PmtPr
EEFT	Euronet Worldwide Inc	67	FINANCE	Finance-CrdtCard/PmtPr
EFX	Equifax Inc	59	FINANCE	Financial Svcs-Specialty
ENV	Envestnet Inc	50	FINANCE	Financial Svcs-Specialty
EQH	Axa Equitable Holdings	51	FINANCE	Finance-Investment Mgmt
ESNT	Essent Group Ltd	63	FINANCE	Finance-Mrtg&Rel Svc
FCFS	Firstcash Inc	47	FINANCE	Finance-Consumer Loans
FISV	Fiserv Inc	60	FINANCE	Financial Svcs-Specialty
FLT	Fleetcor Technologies	70	FINANCE	Financial Svcs-Specialty
GPN	Global Payments Inc	79	FINANCE	Finance-CrdtCard/PmtPr
HLNE	Hamilton Lane Inc Cl A	74	FINANCE	Finance-Investment Mgmt
INFO	IHS Markit Ltd	58	FINANCE	Financial Svcs-Specialty
KKR	K K R & Co Inc Cl A	53	FINANCE	Finance-Investment Mgmt
LPLA	L P L Financial Holdings	55	FINANCE	Finance-Invest Bnk/Bkrs
MA	Mastercard Inc Cl A	59	FINANCE	Finance-CrdtCard/PmtPr
MGRC	Mcgrath Rentcorp	56	FINANCE	Commf Svcs-Leasing
MKTX	Marketaxess Holdings Inc	99	FINANCE	Finance-Invest Bnk/Bkrs
MSCI	M S C I Inc	81	FINANCE	Financial Svcs-Specialty
NMIH	N M I Holdings Inc Cl A	100	FINANCE	Finance-Mrtg&Rel Svc
OMF	OneMain Holdings Inc	96	FINANCE	Finance-Consumer Loans
OPRT	Oportun Financial Corp	60	FINANCE	Finance-Consumer Loans
PAGS	Pageseguro Digital Cl A	185	FINANCE	Finance-CrdtCard/PmtPr
PFSI	Pennymac Financial Svcs	63	FINANCE	Finance-Mrtg&Rel Svc

Symbol	Company Name	% Gain to 2019 High	Sector	Industry Group	Symbol	Company Name	% Gain to 2019 High	Sector	Industry Group
PYPL	Paypal Holdings Inc	44	FINANCE	Finance-CrdtCard/PmtPr	KNSL	Kinsale Capital Group	94	INSURANCE	Insurance-Prop/Cas/Titl
QFIN	360 Finance Inc Cl A Ads	57	FINANCE	Financial Svcs-Specialty	MMC	Marsh & McLennan	42	INSURANCE	Insurance-Brokers
QFIN	360 Finance Inc Cl A Ads	48	FINANCE	Financial Svcs-Specialty	PGR	Progressive Corp Ohio	40	INSURANCE	Insurance-Prop/Cas/Titl
QIWI	QIWI Plc Cl B Ads	78	FINANCE	Finance-CrdtCard/PmtPr	PLMR	Palomar Holdings Inc	199	INSURANCE	Insurance-Diversified
RCII	Rent-A-Center Inc	78	FINANCE	Comml Svcs-Leasing	PRI	Primerica Inc	41	INSURANCE	Insurance-Life
RDN	Radian Group Inc	60	FINANCE	Finance-Mrtg&Rel Svc	RLI	R L I Corp	44	INSURANCE	Insurance-Prop/Cas/Titl
SC	Santander Cons USA Hldgs	57	FINANCE	Finance-Consumer Loans	RNR	Renaissancere Holdings	50	INSURANCE	Insurance-Prop/Cas/Titl
STNE	Stoneco Ltd Cl A	147	FINANCE	Finance-CrdtCard/PmtPr	SLF	Sun Life Financial Inc	41	INSURANCE	Insurance-Life
TIGR	Up Fintech Hldg Cl A Ads	119	FINANCE	Finance-Invest Bnk/Bkrs	VERY	Vericity Inc	87	INSURANCE	Insurance-Life
TREE	Lendingtree Inc	98	FINANCE	Finance-Mrtg&Rel Svc	VOYA	Voya Financial Inc	57	INSURANCE	Insurance-Life
TRU	TransUnion	53	FINANCE	Financial Svcs-Specialty	WRB	Berkley W R Corp	57	INSURANCE	Insurance-Prop/Cas/Titl
TW	Tradeweb Markets Cl A	41	FINANCE	Financial Svcs-Specialty	GDS	Gds Hldgs Ltd Ads Cl A	133	INTERNET	Internet-Network Sltns
V	Visa Inc Cl A	43	FINANCE	Finance-CrdtCard/PmtPr	IAC	I A C/Interactivecorp	46	INTERNET	Internet-Content
WD	Walker & Dunlop Inc	58	FINANCE	Finance-Commercial Loans	INXN	Interxion Holding Nv	89	INTERNET	Internet-Network Sltns
WEX	W E X Inc	58	FINANCE	Finance-CrdtCard/PmtPr	LN	Line Corporation Ads	52	INTERNET	Internet-Content
WRLD	World Acceptance Corp	71	FINANCE	Finance-Consumer Loans	MTCH	Match Group Inc	122	INTERNET	Internet-Content
WU	Western Union Co	64	FINANCE	Financial Svcs-Specialty	PINS	Pinterest Inc Cl A	51	INTERNET	Internet-Content
BYND	Beyond Meat Inc	265	FOOD/BEV	Food-Meat Products	SE	Sea Limited Ads Cl A	253	INTERNET	Internet-Content
COKE	Coca-Cola Consolidated	133	FOOD/BEV	Beverages-Non-Alcoholic	TME	Tencent Music EntGrp ADS	43	INTERNET	Internet-Content
CPB	Campbell Soup Co	50	FOOD/BEV	Food-Packaged	CHDN	Churchill Downs Inc	69	LEISURE	Leisure-Gaming/Equip
FRPT	Freshpet Inc	90	FOOD/BEV	Food-Packaged	CHH	Choice Hotels Intl Inc	47	LEISURE	Leisure-Lodging
HSY	Hershey Company	51	FOOD/BEV	Food-Confectionery	ERI	Eldorado Resorts Inc	64	LEISURE	Leisure-Gaming/Equip
JBSS	John B Sanfilippo & Son	93	FOOD/BEV	Food-Misc Preparation	FOXF	Fox Factory Holding Corp	47	LEISURE	Leisure-Products
MDLZ	Mondelez Intl Inc	41	FOOD/BEV	Food-Confectionery	GOLF	Acushnet Holdings Corp	56	LEISURE	Leisure-Products
NSRGY	Nestle S A Adr Spon	41	FOOD/BEV	Food-Packaged	HLT	Hilton Worldwide Hldgs	57	LEISURE	Leisure-Lodging
PPC	Pilgrims Pride Corp	117	FOOD/BEV	Food-Meat Products	LYV	Live Nation Entertmnt	50	LEISURE	Leisure-Services
SAFM	Sanderson Farms Inc	80	FOOD/BEV	Food-Meat Products	MAR	Marriott International	41	LEISURE	Leisure-Lodging
SMPL	Simply Good Foods Co	65	FOOD/BEV	Food-Confectionery	PLNT	Planet Fitness Inc Cl A	52	LEISURE	Leisure-Services
TSN	Tyson Foods Inc Cl A	76	FOOD/BEV	Food-Meat Products	PTON	Peloton Interactive Cl A	44	LEISURE	Leisure-Services
ACGL	Arch Capital Group Ltd	61	INSURANCE	Insurance-Prop/Cas/Titl	ROKU	Roku Inc Cl A	476	LEISURE	Leisure-Movies & Related
AIZ	Assurant Inc	50	INSURANCE	Insurance-Diversified	SEAS	SeaWorld Entertainment	57	LEISURE	Leisure-Services
AON	Aon Plc	46	INSURANCE	Insurance-Brokers	YETI	Yeti Holdings Inc	156	LEISURE	Leisure-Products
BRO	Brown & Brown Inc	46	INSURANCE	Insurance-Brokers	YETI	Yeti Holdings Inc	124	LEISURE	Leisure-Products
CINF	Cincinnati Financial	52	INSURANCE	Insurance-Prop/Cas/Titl	AME	Ametek Inc	49	MACHINE	Electrical-Power/Equipmt
EHTH	Ehealth Inc	192	INSURANCE	Insurance-Brokers	CLH	Clean Harbors Inc	78	MACHINE	Pollution Control
ERIE	Erie Indemnity Co	102	INSURANCE	Insurance-Brokers	CWST	Casella Waste Sys Cl A	67	MACHINE	Pollution Control
EVER	Everquote Inc Cl A	819	INSURANCE	Insurance-Diversified	DOV	Dover Corp	63	MACHINE	Machinery-Gen Industrial
FAF	First American Finl Corp	44	INSURANCE	Insurance-Prop/Cas/Titl	ESE	E S C O Technologies Inc	40	MACHINE	Machinery-Gen Industrial
FNF	Fidelity National Finl	53	INSURANCE	Insurance-Prop/Cas/Titl	GNRC	Generac Hldgs Inc	106	MACHINE	Electrical-Power/Equipmt
GL	Globe Life Inc	43	INSURANCE	Insurance-Life	HUBB	Hubbell Inc	50	MACHINE	Electrical-Power/Equipmt
GSHD	Goosehead Insurance Cl A	97	INSURANCE	Insurance-Prop/Cas/Titl	IR	Ingersoll-Rand Plc	51	MACHINE	Machinery-Gen Industrial
HIG	Hartford Finl Svcs Grp	41	INSURANCE	Insurance-Diversified	ITT	I T T Inc	54	MACHINE	Machinery-Gen Industrial
JRVR	James River Group Hldgs	42	INSURANCE	Insurance-Prop/Cas/Titl	ITW	Illinois Tool Works Inc	43	MACHINE	Machinery-Gen Industrial

TOP STOCKS 2019 | Shift Gears When the Market Turns

Symbol	Company Name	% Gain to 2019 High	Sector	Industry Group	Symbol	Company Name	% Gain to 2019 High	Sector	Industry Group
JBT	John Bean Technologies	78	MACHINE	Machinery-Gen Industrial	BIO	Bio Rad Labs Inc Cl A	62	MEDICAL	Medical-Research Eqp/Svc
KRNT	Kornit Digital Ltd	90	MACHINE	Machinery-Gen Industrial	BNTX	Biontech Se Ads	172	MEDICAL	Medical-Biomed/Biotech
NDSN	Nordson Corp	41	MACHINE	Machinery-Gen Industrial	BOLD	Audentes Therapeutics	181	MEDICAL	Medical-Biomed/Biotech
RXN	Rexnord Corp	44	MACHINE	Machinery-Gen Industrial	BRKR	Bruker Corp	75	MEDICAL	Medical-Systems/Equip
SPXC	S P X Corp	86	MACHINE	Machinery-Gen Industrial	CABA	Cabaletta Bio Inc	83	MEDICAL	Medical-Biomed/Biotech
SSYS	Stratasys Ltd	69	MACHINE	Machinery-Mtl Hdlg/Autmn	CARA	Cara Therapeutics	111	MEDICAL	Medical-Biomed/Biotech
TTEK	Tetra Tech Inc	74	MACHINE	Pollution Control	CBPO	China Biologic Prd Hldgs	57	MEDICAL	Medical-Biomed/Biotech
WWD	Woodward Inc	67	MACHINE	Machinery-Gen Industrial	CCXI	ChemoCentryx Inc	252	MEDICAL	Medical-Biomed/Biotech
FWONK	Liberty Media SrC FrmOne	51	MEDIA	Media-Diversified	CDNA	Caredx Inc	64	MEDICAL	Medical-Products
GTN	Gray Television Inc	71	MEDIA	Media-Radio/Tv	CHRS	Coherus Biosciences Inc	164	MEDICAL	Medical-Biomed/Biotech
LBRDA	Liberty Broadband Cl A	73	MEDIA	Media-Diversified	CNMD	Conmed Corp	81	MEDICAL	Medical-Products
LBRDK	Liberty Broadband Cl C	74	MEDIA	Media-Diversified	CNST	Constellation Pharma Inc	1383	MEDICAL	Medical-Biomed/Biotech
NXST	Nexstar Media Group Cl A	52	MEDIA	Media-Radio/Tv	CRSP	Crispr Therapeutics AG	159	MEDICAL	Medical-Biomed/Biotech
NYT	New York Times Co Cl A	62	MEDIA	Media-Newspapers	CRTX	Cortexyme Inc	122	MEDICAL	Medical-Biomed/Biotech
SBGI	Sinclair Broadcast Group	152	MEDIA	Media-Radio/Tv	CSII	Cardiovascular Systems	84	MEDICAL	Medical-Products
SNE	Sony Corp American Shrs	41	MEDIA	Media-Diversified	CSTL	Castle Biosciences Inc	86	MEDICAL	Medical-Services
ACAD	Acadia Pharmaceuticals	232	MEDICAL	Medical-Biomed/Biotech	CTLT	Catalent Inc	87	MEDICAL	Medical-Research Eqp/Svc
ADUS	Addus Homecare Corp	41	MEDICAL	Medical-Outpnt/Hm Care	DCPH	Deciphera Pharma	233	MEDICAL	Medical-Biomed/Biotech
AKRO	Akero Therapeutics Inc	86	MEDICAL	Medical-Biomed/Biotech	DHR	Danaher Corp	49	MEDICAL	Medical-Diversified
ALEC	Alector Inc	50	MEDICAL	Medical-Biomed/Biotech	DRNA	Dicerna Pharmaceuticals	158	MEDICAL	Medical-Biomed/Biotech
ALLK	Allakos Inc	167	MEDICAL	Medical-Biomed/Biotech	DXCM	Dexcom Inc	93	MEDICAL	Medical-Systems/Equip
ALXN	Alexion Pharmaceuticals	45	MEDICAL	Medical-Biomed/Biotech	EIDX	Eidos Therapeutics Inc	383	MEDICAL	Medical-Biomed/Biotech
AMED	Amedisys Inc	43	MEDICAL	Medical-Outpnt/Hm Care	ENSG	Ensign Group Inc	62	MEDICAL	Medical-Long-term Care
AMRN	Amarin Corp Plc Adr	91	MEDICAL	Medical-Biomed/Biotech	EPZM	Epizyme Inc	305	MEDICAL	Medical-Biomed/Biotech
ANIK	Anika Therapeutics Inc	125	MEDICAL	Medical-Biomed/Biotech	ETNB	89bio Inc	122	MEDICAL	Medical-Biomed/Biotech
ANIP	A N I Pharmaceuticals	93	MEDICAL	Medical-Generic Drugs	EW	Edwards Lifesciences	61	MEDICAL	Medical-Products
APLS	Apellis Pharmaceuticals	151	MEDICAL	Medical-Biomed/Biotech	EXAS	Exact Sciences Corp	96	MEDICAL	Medical-Biomed/Biotech
APLT	Applied Therapeutics Inc	207	MEDICAL	Medical-Biomed/Biotech	FATE	Fate Therapeutics Inc	77	MEDICAL	Medical-Biomed/Biotech
APM	Aptorum Group Ltd Cl A	132	MEDICAL	Medical-Biomed/Biotech	FIXX	Homology Medicines Inc	42	MEDICAL	Medical-Generic Drugs
APRE	Aprea Therapeutics Inc	159	MEDICAL	Medical-Biomed/Biotech	FREQ	Frequency Therapeutics	50	MEDICAL	Medical-Biomed/Biotech
ARGX	Argenx SE Ads	74	MEDICAL	Medical-Biomed/Biotech	FTSV	Forty Seven Inc	188	MEDICAL	Medical-Biomed/Biotech
ARNA	Arena Pharmaceuticals	65	MEDICAL	Medical-Biomed/Biotech	FULC	Fulcrum Therapeutics Inc	43	MEDICAL	Medical-Biomed/Biotech
ARQL	Arqule Inc	638	MEDICAL	Medical-Biomed/Biotech	GBT	Global Blood Therapeutic	102	MEDICAL	Medical-Biomed/Biotech
ARVN	Arvinas Inc	249	MEDICAL	Medical-Biomed/Biotech	GH	Guardant Health Inc	248	MEDICAL	Medical-Services
ARWR	Arrowhead Pharma	493	MEDICAL	Medical-Biomed/Biotech	GKOS	Glaukos Corporation	50	MEDICAL	Medical-Products
ASND	Ascendis Pharma A/S Ads	120	MEDICAL	Medical-Biomed/Biotech	GLPG	Galapagos Nv Ads	136	MEDICAL	Medical-Biomed/Biotech
ATNX	Athenex Inc	66	MEDICAL	Medical-Biomed/Biotech	GMDA	Gamida Cell Ltd	78	MEDICAL	Medical-Biomed/Biotech
AUPH	Aurinia Pharmaceuticals	221	MEDICAL	Medical-Biomed/Biotech	GOSS	Gossamer Bio Inc	51	MEDICAL	Medical-Biomed/Biotech
AXNX	Axonics Modulation Tech	190	MEDICAL	Medical-Systems/Equip	GWPH	G W Pharmaceuticals Adr	101	MEDICAL	Medical-Biomed/Biotech
AXSM	Axsome Therapeutics Inc	3798	MEDICAL	Medical-Biomed/Biotech	HAE	Haemonetics Corp	40	MEDICAL	Medical-Systems/Equip
BBIO	Bridgebio Pharma Inc	76	MEDICAL	Medical-Biomed/Biotech	HARP	Harpoon Therapeutics Inc	59	MEDICAL	Medical-Biomed/Biotech
BHC	Bausch Health Companies	73	MEDICAL	Medical-Ethical Drugs	HNGR	Hanger Inc	46	MEDICAL	Medical-Outpnt/Hm Care
BHVN	Biohaven Pharma Holding	83	MEDICAL	Medical-Biomed/Biotech	HZNP	Horizon Therap Public	88	MEDICAL	Medical-Biomed/Biotech

Symbol	Company Name	% Gain to 2019 High	Sector	Industry Group
IDXX	Idexx Laboratories Inc	58	MEDICAL	Medical-Systems/Equip
IDYA	IDEAYA Biosciences Inc	51	MEDICAL	Medical-Biomed/Biotech
IGMS	I G M Biosciences Inc	136	MEDICAL	Medical-Biomed/Biotech
INMD	Inmode Ltd	333	MEDICAL	Medical-Systems/Equip
INSP	Inspire Medical Systems	79	MEDICAL	Medical-Products
IONS	Ionis Pharmaceuticals	60	MEDICAL	Medical-Biomed/Biotech
IOVA	iovance Biotherapeutics	235	MEDICAL	Medical-Biomed/Biotech
IQV	Iqvia Holdings Inc	41	MEDICAL	Medical-Research Eqp/Svc
ITCI	Intra-Cellular Therapies	282	MEDICAL	Medical-Biomed/Biotech
KOD	Kodiak Sciences Inc	1040	MEDICAL	Medical-Biomed/Biotech
KRTX	Karuna Therapeutics Inc	659	MEDICAL	Medical-Biomed/Biotech
KRYS	Krystal Biotech Inc	220	MEDICAL	Medical-Biomed/Biotech
LHCG	L H C Group Inc	46	MEDICAL	Medical-Outpnt/Hm Care
LNTH	Lantheus Holdings Inc	90	MEDICAL	Medical-Products
LOGC	Logicbio Therapeutics	75	MEDICAL	Medical-Biomed/Biotech
MASI	Masimo Corp	49	MEDICAL	Medical-Systems/Equip
MBOT	Microbot Medical Inc	1071	MEDICAL	Medical-Biomed/Biotech
MDCO	Medicines Company	343	MEDICAL	Medical-Biomed/Biotech
MEDP	Medpace Holdings Inc	63	MEDICAL	Medical-Research Eqp/Svc
MIRM	Mirum Pharmaceuticals	114	MEDICAL	Medical-Biomed/Biotech
MIST	Milestone Pharma Inc	82	MEDICAL	Medical-Ethical Drugs
MITO	Stealth Biotherapeutics	76	MEDICAL	Medical-Biomed/Biotech
MNPR	Monopar Therapeutics Inc	81	MEDICAL	Medical-Biomed/Biotech
MORF	Morphic Holding Inc	86	MEDICAL	Medical-Biomed/Biotech
MRNA	Moderna Inc	95	MEDICAL	Medical-Biomed/Biotech
MRTX	Mirati Therapeutics Inc	205	MEDICAL	Medical-Biomed/Biotech
MYOK	Myokardia Inc	53	MEDICAL	Medical-Biomed/Biotech
NEO	NeoGenomics Inc	137	MEDICAL	Medical-Services
NSTG	NanoString Technologies	134	MEDICAL	Medical-Research Eqp/Svc
NTRA	Natera Inc	193	MEDICAL	Medical-Research Eqp/Svc
NUVA	Nuvasive Inc	57	MEDICAL	Medical-Products
NVCR	Novocure Limited	194	MEDICAL	Medical-Products
NVRO	Nevro Corp	202	MEDICAL	Medical-Systems/Equip
NVTA	Invitae Corporation	159	MEDICAL	Medical-Services
NXTC	Nextcure Inc	448	MEDICAL	Medical-Biomed/Biotech
OFIX	Orthofix Medical Inc	41	MEDICAL	Medical-Products
OMCL	Omniceil Inc	51	MEDICAL	Medical-Systems/Equip
ORTX	Orchard Therapeutics Ads	55	MEDICAL	Medical-Biomed/Biotech
OYST	Oyster Point Pharma Inc	48	MEDICAL	Medical-Biomed/Biotech
PEN	Penumbra Inc	51	MEDICAL	Medical-Products
PGNY	Progyny Inc	101	MEDICAL	Medical-Managed Care
PHAS	Phasebio Pharmaceuticals	233	MEDICAL	Medical-Biomed/Biotech
PHAT	Phathom Pharmaceuticals	94	MEDICAL	Medical-Biomed/Biotech

Symbol	Company Name	% Gain to 2019 High	Sector	Industry Group
PODD	Insulet Corp	136	MEDICAL	Medical-Products
PRNB	Principia Biopharma Inc	122	MEDICAL	Medical-Biomed/Biotech
PRVB	Provention Bio	1189	MEDICAL	Medical-Biomed/Biotech
QURE	Uniqure N.V.	186	MEDICAL	Medical-Biomed/Biotech
RAPT	Rapt Therapeutics Inc	223	MEDICAL	Medical-Biomed/Biotech
RARX	Ra Pharmaceuticals Inc	161	MEDICAL	Medical-Biomed/Biotech
RCKT	Rocket Pharmaceuticals	86	MEDICAL	Medical-Biomed/Biotech
RDNT	Radnet Inc	100	MEDICAL	Medical-Outpnt/Hm Care
RETA	Reata Pharma Inc Cl A	299	MEDICAL	Medical-Biomed/Biotech
RGEN	Repligen Corp	88	MEDICAL	Medical-Products
SEM	Select Medical Holdings	53	MEDICAL	Medical-Hospitals
SGEN	Seattle Genetics Inc	115	MEDICAL	Medical-Biomed/Biotech
SILK	Silk Road Medical Inc	42	MEDICAL	Medical-Products
SOLY	Soliton Inc	495	MEDICAL	Medical-Products
STE	Steris Plc	46	MEDICAL	Medical-Systems/Equip
STOK	Stoke Therapeutics Inc	53	MEDICAL	Medical-Biomed/Biotech
SWAV	Shockwave Medical Inc	124	MEDICAL	Medical-Systems/Equip
SWTX	Springworks Therptcs	79	MEDICAL	Medical-Biomed/Biotech
SXTC	China Sxt Pharma	307	MEDICAL	Medical-Ethical Drugs
SYK	Stryker Corp	42	MEDICAL	Medical-Products
SYNH	Syneos Health Cl A	51	MEDICAL	Medical-Research Eqp/Svc
TCDA	Tricida Inc	87	MEDICAL	Medical-Biomed/Biotech
TCMD	Tactile Systems Tech	68	MEDICAL	Medical-Products
TCRR	Tcr2 Therapeutics Inc	69	MEDICAL	Medical-Biomed/Biotech
TECH	Bio-Techne Corp	54	MEDICAL	Medical-Research Eqp/Svc
TFX	Teleflex Incorporated	45	MEDICAL	Medical-Products
THOR	Synthorx Inc	470	MEDICAL	Medical-Biomed/Biotech
TMDX	Transmedics Group Inc	41	MEDICAL	Medical-Products
TMO	Thermo Fisher Scientific	47	MEDICAL	Medical-Research Eqp/Svc
TNDM	Tandem Diabetes Care Inc	97	MEDICAL	Medical-Products
TPTX	Turning Point Therap	123	MEDICAL	Medical-Biomed/Biotech
TWST	Twist Bioscience Corp	157	MEDICAL	Medical-Biomed/Biotech
TXG	10x Genomics Inc Cl A	69	MEDICAL	Medical-Products
USPH	U S Physical Therapy	45	MEDICAL	Medical-Outpnt/Hm Care
VAPO	Vapotherm Inc	54	MEDICAL	Medical-Products
VCYT	Veracyte Inc	147	MEDICAL	Medical-Research Eqp/Svc
VIE	Viela Bio Inc	44	MEDICAL	Medical-Biomed/Biotech
WCG	Wellcare Health Plans	41	MEDICAL	Medical-Managed Care
WST	West Pharmaceutical Svcs	55	MEDICAL	Medical-Supplies
XBIT	Xbiotech Inc	351	MEDICAL	Medical-Biomed/Biotech
XGN	Exagen Inc	61	MEDICAL	Medical-Research Eqp/Svc
YMAB	Y-mabs Therapeutics Inc	69	MEDICAL	Medical-Biomed/Biotech
ZBH	Zimmer Biomet Hldgs Inc	46	MEDICAL	Medical-Products

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Symbol	Company Name	% Gain to 2019 High	Sector	Industry Group	Symbol	Company Name	% Gain to 2019 High	Sector	Industry Group
ZLAB	Zai Lab Limited Ads	89	MEDICAL	Medical-Biomed/Biotech	FR	First Industrial Rlty Tr	49	REAL EST	Finance-Property REIT
ZTS	Zoetis Inc	56	MEDICAL	Medical-Ethical Drugs	FSV	Firstservice Corporation	62	REAL EST	Real Estate Dvlpmt/Ops
ZYME	Zymeworks Inc	212	MEDICAL	Medical-Biomed/Biotech	HASI	Hannon Armstrong Sus Inf	71	REAL EST	Finance-Mortgage REIT
BOOM	D M C Global Inc	118	METALS	Metal Proc & Fabrication	IIPR	Innovative Ind Prop	207	REAL EST	Finance-Property REIT
MTRN	Materion Corp	59	METALS	Metal Proc & Fabrication	INVH	Invitation Homes Inc	55	REAL EST	Finance-Property REIT
ROCK	Gibraltar Industries Inc	54	METALS	Metal Proc & Fabrication	IRET	Investors Real Est Trust	60	REAL EST	Finance-Property REIT
RS	Reliance Steel & Aluminm	71	METALS	Metal Proc & Fabrication	JOE	St Joe Company	57	REAL EST	Real Estate Dvlpmt/Ops
TKR	Timken Co	56	METALS	Metal Proc & Fabrication	KIM	Kimco Realty Corp	49	REAL EST	Finance-Property REIT
AEM	Agnico Eagle Mines Ltd	60	MINING	Mining-Gold/Silver/Gems	LEGH	Legacy Housing Corp	45	REAL EST	Finance-Property REIT
ARNC	Arconic Inc	89	MINING	Mining-Metal Ores	LPT	Liberty Property Trust	49	REAL EST	Finance-Property REIT
AU	Anglogold Ashanti Ads	90	MINING	Mining-Gold/Silver/Gems	MAA	Mid America Apt Cmmntys	46	REAL EST	Finance-Property REIT
FNV	Franco Nevada Corp	48	MINING	Mining-Gold/Silver/Gems	NXRT	NexPoint Residential Tr	44	REAL EST	Finance-Property REIT
GOLD	Barrick Gold Corporation	48	MINING	Mining-Gold/Silver/Gems	OUT	Outfront Media Inc	56	REAL EST	Finance-Property REIT
KL	Kirkland Lake Gold Ltd	95	MINING	Mining-Gold/Silver/Gems	PAC	Grupo Aero Del Pac Ads	58	REAL EST	Real Estate Dvlpmt/Ops
PAAS	Pan American Silver Corp	63	MINING	Mining-Gold/Silver/Gems	PLD	Prologis Inc	58	REAL EST	Finance-Property REIT
RGLD	Royal Gold Inc	62	MINING	Mining-Gold/Silver/Gems	PSB	P S Business Parks Inc	46	REAL EST	Finance-Property REIT
RIO	Rio Tinto Plc Adr	42	MINING	Mining-Metal Ores	QTS	QTS Realty Trust CI A	48	REAL EST	Finance-Property REIT
WPM	Wheaton Precious Metals	58	MINING	Mining-Gold/Silver/Gems	REXR	Rexford Industrial Rlty	65	REAL EST	Finance-Property REIT
AIN	Albany Intl Corp CI A	47	MISC	Paper & Paper Products	SAFE	Safehold Inc	128	REAL EST	Finance-Property REIT
BLL	Ball Corp	78	MISC	Containers/Packaging	SBAC	S B A Communications Cp	67	REAL EST	Finance-Property REIT
CCK	Crown Holdings Inc	88	MISC	Containers/Packaging	SBRA	Sabra Healthcare Reit	51	REAL EST	Finance-Property REIT
CHE	Chemed Corporation	57	MISC	Diversified Operations	SRC	Spirit Realty Capital	51	REAL EST	Finance-Property REIT
CSL	Carlisle Cos Inc	62	MISC	Diversified Operations	STOR	Store Capital Corp	44	REAL EST	Finance-Property REIT
HTHIY	Hitachi Ltd Adr 10 Com	64	MISC	Diversified Operations	SUI	Sun Communities Inc	63	REAL EST	Finance-Property REIT
JCI	Johnson Controls Intl	51	MISC	Diversified Operations	TRNO	Terreno Realty Corp	65	REAL EST	Finance-Property REIT
PHG	Koninklijke Philips ADR	40	MISC	Diversified Operations	UHT	Universal Health Realty	101	REAL EST	Finance-Property REIT
ROP	Roper Technologies Inc	44	MISC	Diversified Operations	WPC	W P Carey Inc Reit	43	REAL EST	Finance-Property REIT
UTX	United Technologies Corp	41	MISC	Diversified Operations	AAN	Aarons Inc	87	RETAIL	Retail-Home Furnishings
AVY	Avery Dennison Corp	49	OFFICE	Office Supplies Mfg	ABG	Asbury Automotive Group	85	RETAIL	Retail/Whlsle-Automobile
AMT	American Tower Corp	52	REAL EST	Finance-Property REIT	ANF	Abercrombie & Fitch Co	52	RETAIL	Retail-Apparel/Shoes/Acc
ARE	Alexandria R E Equities	41	REAL EST	Finance-Property REIT	AZO	Autozone Inc	52	RETAIL	Retail/Whlsle-Auto Parts
BRX	Brixmor Property Group	54	REAL EST	Finance-Property REIT	BABA	Alibaba Group Hldg Ads	59	RETAIL	Retail-Internet
CBRE	C B R E Group	53	REAL EST	Real Estate Dvlpmt/Ops	BBY	Best Buy Co Inc	69	RETAIL	Retail-Consumer Elec
CHCT	Community Healthcare Tr	70	REAL EST	Finance-Property REIT	BKE	Buckle Inc	57	RETAIL	Retail-Apparel/Shoes/Acc
COLD	Americold Realty Trust	58	REAL EST	Finance-Property REIT	BOOT	Boot Barn Holdings Inc	165	RETAIL	Retail-Apparel/Shoes/Acc
CONE	CyrusOne Inc	50	REAL EST	Finance-Property REIT	BURL	Burlington Stores Inc	41	RETAIL	Retail-Apparel/Shoes/Acc
COR	Coresite Realty Corp	41	REAL EST	Finance-Property REIT	CMG	Chipotle Mexican Grill	98	RETAIL	Retail-Restaurants
CWK	Cushman & Wakefield Plc	43	REAL EST	Real Estate Dvlpmt/Ops	CORE	Core Mark Holdings Co	76	RETAIL	Wholesale-Food
DEA	Easterly Govt Properties	50	REAL EST	Finance-Property REIT	COST	Costco Wholesale Corp	50	RETAIL	Retail-Major Disc Chains
EGP	Eastgroup Properties	50	REAL EST	Finance-Property REIT	CPRT	Copart Inc	93	RETAIL	Retail/Whlsle-Auto Parts
ELS	Equity Lifestyle Pptys	53	REAL EST	Finance-Property REIT	CRMT	Americas Car-Mart Inc	52	RETAIL	Retail/Whlsle-Automobile
EPRT	Essential Prop Realty Tr	95	REAL EST	Finance-Property REIT	CVNA	Carvana Co CI A	203	RETAIL	Retail/Whlsle-Automobile
EQIX	Equinix Inc	73	REAL EST	Finance-Property REIT	DENN	Denny's Corporation	47	RETAIL	Retail-Restaurants

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Symbol	Company Name	% Gain to 2019 High	Sector	Industry Group
DG	Dollar General Corp	54	RETAIL	Retail-Discout&Variety
DIN	Dine Brands Global Inc	54	RETAIL	Retail-Restaurants
DKS	Dicks Sporting Goods Inc	57	RETAIL	Retail-Leisure Products
ETSY	Etsy Inc	54	RETAIL	Retail-Internet
FAST	Fastenal Co	45	RETAIL	Retail/Whlsle-Bldg Prds
FBM	Foundation Building Mtrl	166	RETAIL	Retail/Whlsle-Bldg Prds
FIVE	Five Below Inc	44	RETAIL	Retail-Discout&Variety
FLWS	One-800Flowers.Com CI A	78	RETAIL	Retail-Mail Order&Direct
GO	Grocery Outlet Hdq Corp	67	RETAIL	Retail-Discout&Variety
GPI	Group I Automotive Inc	108	RETAIL	Retail/Whlsle-Automobile
HIBB	Hibbett Sports Inc	116	RETAIL	Retail-Leisure Products
JMIA	Jumia Technologies Ads	95	RETAIL	Retail-Internet
KAR	Kar Auction Svcs Inc	58	RETAIL	Retail/Whlsle-Automobile
KMX	Carmax Inc	60	RETAIL	Retail/Whlsle-Automobile
KRUS	Kura Sushi USA Inc CI A	47	RETAIL	Retail-Restaurants
LAD	Lithia Motors Inc CI A	116	RETAIL	Retail/Whlsle-Automobile
LK	Luckin Coffee CLA Ads	90	RETAIL	Retail-Restaurants
LMPX	Lmp Automotive Holdings	721	RETAIL	Retail/Whlsle-Automobile
LOVE	Lovesac Company	103	RETAIL	Retail-Home Furnishings
LULU	Lululemon Athletica	93	RETAIL	Retail-Apparel/Shoes/Acc
MELI	Mercadolibre Inc	138	RETAIL	Retail-Internet
MOGU	Mogu Inc CI A Ads	77	RETAIL	Retail-Internet
MUSA	Murphy USA Inc	58	RETAIL	Retail-Super/Mini Mkts
NSIT	Insight Enterprises Inc	75	RETAIL	Wholesale-Electronics
OLLI	Ollie's Bargain Outlet	54	RETAIL	Retail-Discout&Variety
PDD	Pinduoduo Inc CI A Ads	101	RETAIL	Retail-Internet
PFGC	Performance Food Group	59	RETAIL	Wholesale-Food
POOL	Pool Corp	53	RETAIL	Retail-Leisure Products
QSR	Restaurant Brands Intl	51	RETAIL	Retail-Restaurants
RH	R H	103	RETAIL	Retail-Home Furnishings
ROST	Ross Stores Inc	41	RETAIL	Retail-Apparel/Shoes/Acc
RVLV	Revolve Group Inc CI A	42	RETAIL	Retail-Apparel/Shoes/Acc
SAH	Sonic Automotive CI A	157	RETAIL	Retail/Whlsle-Automobile
SBUX	Starbucks Corp	54	RETAIL	Retail-Restaurants
SHAK	Shake Shack Inc CI A	133	RETAIL	Retail-Restaurants
SNBR	Sleep Number Corp	64	RETAIL	Retail-Home Furnishings
TECD	Tech Data Corp	77	RETAIL	Wholesale-Electronics
TGT	Target Corporation	97	RETAIL	Retail-Major Disc Chains
ULTA	Ulta Beauty Inc	50	RETAIL	Retail-Specialty
W	Wayfair Inc CI A	92	RETAIL	Retail-Internet
WEN	Wendy's Company	46	RETAIL	Retail-Restaurants
WING	Wingstop Inc	67	RETAIL	Retail-Restaurants
WSM	Williams Sonoma Inc	47	RETAIL	Retail-Home Furnishings

Symbol	Company Name	% Gain to 2019 High	Sector	Industry Group
YUMC	Yum China Holdings Inc	46	RETAIL	Retail-Restaurants
ZUMZ	Zumiez Inc	86	RETAIL	Retail-Apparel/Shoes/Acc
ADBE	Adobe Inc	47	SOFTWARE	Computer Sftwr-Desktop
ADSK	Autodesk Inc	44	SOFTWARE	Computer Sftwr-Design
AKAM	Akamai Technologies Inc	52	SOFTWARE	Computer Sftwr-Enterprse
ANSS	Ansys Inc	81	SOFTWARE	Computer Sftwr-Design
APPF	Appfolio Inc CI A	97	SOFTWARE	Comp Sftwr-Spec Enterprs
APPN	Appian Corp CI A	135	SOFTWARE	Computer Sftwr-Design
ARCE	Arco Platform Ltd CI A	156	SOFTWARE	Computer Sftwr-Edu/Media
AVLR	Avalara Inc	202	SOFTWARE	Comp Sftwr-Spec Enterprs
AYX	Alteryx Inc CI A	148	SOFTWARE	Computer Sftwr-Database
AZPN	Aspen Technology Inc	72	SOFTWARE	Computer Sftwr-Enterprse
BAND	Bandwidth Inc CI A	122	SOFTWARE	Computer Sftwr-Enterprse
BKI	Black Knight Inc	43	SOFTWARE	Computer Sftwr-Financial
CDAY	Ceridian H C M Holding	98	SOFTWARE	Comp Sftwr-Spec Enterprs
CDLX	Cardlytics Inc	504	SOFTWARE	Computer Sftwr-Enterprse
CDNS	Cadence Design Systems	77	SOFTWARE	Computer Sftwr-Design
CERN	Cerner Corp	45	SOFTWARE	Computer Sftwr-Medical
COUP	Coupa Software Inc	154	SOFTWARE	Computer Sftwr-Enterprse
CRWD	Crowdstrike Holding CI A	76	SOFTWARE	Computer Sftwr-Security
CYBR	Cyberark Software Ltd	100	SOFTWARE	Computer Sftwr-Security
DOCU	Docusign Inc	90	SOFTWARE	Computer Sftwr-Enterprse
DOMO	Domo Inc CI B	139	SOFTWARE	Computer Sftwr-Enterprse
EGHT	8X8 Inc	47	SOFTWARE	Computer Sftwr-Enterprse
ESTC	Elastic N.V	49	SOFTWARE	Computer Sftwr-Database
EVBG	Everbridge Inc	83	SOFTWARE	Computer Sftwr-Enterprse
FICO	Fair Isaac Corp	103	SOFTWARE	Computer Sftwr-Financial
FIVN	Five9 Inc	59	SOFTWARE	Computer Sftwr-Enterprse
FSLY	Fastly Inc CL A	47	SOFTWARE	Computer Sftwr-Enterprse
FTNT	Fortinet Inc	56	SOFTWARE	Computer Sftwr-Security
GWRE	Guidewire Software Inc	54	SOFTWARE	Computer Sftwr-Financial
HUBS	Hubspot Inc	65	SOFTWARE	Comp Sftwr-Spec Enterprs
INST	Instructure Inc	44	SOFTWARE	Computer Sftwr-Edu/Media
INTU	Intuit Inc	50	SOFTWARE	Computer Sftwr-Financial
LPSN	Liveperson Inc	127	SOFTWARE	Computer Sftwr-Enterprse
MANH	Manhattan Associates Inc	111	SOFTWARE	Computer Sftwr-Enterprse
MDB	Mongodb Inc CI A	120	SOFTWARE	Computer Sftwr-Database
MIME	Mimecast Limited	62	SOFTWARE	Computer Sftwr-Security
MODN	Model N Inc	170	SOFTWARE	Computer Sftwr-Enterprse
MSFT	Microsoft Corp	57	SOFTWARE	Computer Sftwr-Desktop
MTC	Mmtec Inc	229	SOFTWARE	Computer Sftwr-Financial
NICE	Nice Ltd Ads	48	SOFTWARE	Computer Sftwr-Security
NOW	Servicenow Inc	70	SOFTWARE	Computer Sftwr-Enterprse

TOP STOCKS 2019 | Shift Gears When the Market Turns

Symbol	Company Name	% Gain to 2019 High	Sector	Industry Group
OKTA	Okta Inc Cl A	122	SOFTWARE	Computer Sftwr-Security
PAYC	Paycom Software Inc	128	SOFTWARE	Computer Sftwr-Enterprse
PCTY	Paylocity Holding Corp	103	SOFTWARE	Computer Sftwr-Enterprse
PD	Pagerduty Inc	56	SOFTWARE	Computer Sftwr-Desktop
PEGA	Pegasystems Inc	66	SOFTWARE	Computer Sftwr-Financial
PFPT	Proofpoint Inc	59	SOFTWARE	Computer Sftwr-Security
PLAN	Anaplan Inc	148	SOFTWARE	Computer Sftwr-Enterprse
PRO	P R O S Holdings Inc	140	SOFTWARE	Computer Sftwr-Enterprse
QTWO	Q2 Holdings Inc	88	SOFTWARE	Computer Sftwr-Financial
RNG	RingCentral Inc Cl A	115	SOFTWARE	Computer Sftwr-Enterprse
RPD	Rapid7 Inc	111	SOFTWARE	Computer Sftwr-Security
SAP	S A P Se Adr	41	SOFTWARE	Computer Sftwr-Enterprse
SHOP	Shopify Inc Cl A	200	SOFTWARE	Computer Sftwr-Enterprse
SMAR	Smartsheet Inc Cl A	124	SOFTWARE	Computer Sftwr-Enterprse
SNPS	Synopsys Inc	74	SOFTWARE	Computer Sftwr-Design
SPLK	Splunk Inc	46	SOFTWARE	Computer Sftwr-Database
SPSC	S P S Commerce Inc	43	SOFTWARE	Comp Sftwr-Spec Enterprs
SSNC	S S & C Technologies	50	SOFTWARE	Computer Sftwr-Financial
TEAM	Atlassian Corp Plc Cl A	68	SOFTWARE	Comp Sftwr-Spec Enterprs
TUFN	Tufin Software Tech Ltd	63	SOFTWARE	Computer Sftwr-Security
TWLO	Twilio Inc Cl A	69	SOFTWARE	Computer Sftwr-Enterprse
TYL	Tyler Technologies Inc	62	SOFTWARE	Comp Sftwr-Spec Enterprs
UPLD	Upland Software Inc	101	SOFTWARE	Computer Sftwr-Enterprse
VEEV	Veeva Systems Inc Cl A	98	SOFTWARE	Computer Sftwr-Medical
VMW	Vmware Inc Cl A	50	SOFTWARE	Comp Sftwr-Spec Enterprs
VRNT	Verint Systems Inc	51	SOFTWARE	Computer Sftwr-Security
VRSN	Verisign Inc	49	SOFTWARE	Computer Sftwr-Security
WDAY	Workday Inc Cl A	42	SOFTWARE	Computer Sftwr-Enterprse
WIX	Wix.com Ltd	72	SOFTWARE	Computer Sftwr-Enterprse
WK	Workiva Inc Cl A	78	SOFTWARE	Computer Sftwr-Database
ZEN	Zendesk Inc	62	SOFTWARE	Computer Sftwr-Enterprse
ZM	Zoom Video Comm Cl A	73	SOFTWARE	Computer Sftwr-Enterprse
ZS	Zscaler Inc	128	SOFTWARE	Computer Sftwr-Security
AAPL	Apple Inc	86	TELECOM	Telecom-Consumer Prods
ACIA	Acacia Communications	78	TELECOM	Telecom-Fiber Optics
ATUS	Altice USA Inc Cl A	92	TELECOM	Telecom Svcs-Cable/Satl
AUDC	Audiocodes Ltd	163	TELECOM	Telecom-Cable/Satl Eqp
CABO	Cable One Inc	91	TELECOM	Telecom Svcs-Cable/Satl
CCOI	Cogent Comm Hldgs Inc	47	TELECOM	Telecom Svcs-Cable/Satl
CHTR	Charter Comm	71	TELECOM	Telecom Svcs-Integrated
CMTL	Comtech Telecomm Corp	56	TELECOM	Telecom-Cable/Satl Eqp
GLIBA	GCI Liberty Inc Cl A	80	TELECOM	Telecom Svcs-Integrated
IRDM	Iridium Communications	53	TELECOM	Telecom Svcs-Wireless

Symbol	Company Name	% Gain to 2019 High	Sector	Industry Group
JCOM	J 2 Global Inc	45	TELECOM	Telecom Svcs-Cable/Satl
LITE	Lumentum Holdings Inc	91	TELECOM	Telecom-Fiber Optics
MSI	Motorola Solutions Inc	58	TELECOM	Telecom-Consumer Prods
SFTBY	Softbank Corp	72	TELECOM	Telecom Svcs- Foreign
SONM	Sonim Technologies Inc	66	TELECOM	Telecom-Consumer Prods
UI	Ubiquiti Inc	101	TELECOM	Telecom-Infrastructure
VSAT	Viasat Inc	65	TELECOM	Telecom-Infrastructure
ALGT	Allegiant Travel Company	82	TRANSPRT	Transportation-Airline
AZUL	Azul S A Ads	58	TRANSPRT	Transportation-Airline
CP	Canadian Pacific Railway	45	TRANSPRT	Transportation-Rail
CYRX	Cryoport Inc	126	TRANSPRT	Transportation-Logistics
GOL	Gol Intelligent Airlines	71	TRANSPRT	Transportation-Airline
KSU	Kansas City Southern	64	TRANSPRT	Transportation-Rail
NSC	Norfolk Southern Corp	41	TRANSPRT	Transportation-Rail
ODFL	Old Dominion Fght Line	59	TRANSPRT	Transportation-Truck
SAIA	Saia Inc	91	TRANSPRT	Transportation-Truck
SKYW	Skywest Inc	48	TRANSPRT	Transportation-Airline
WERN	Werner Enterprises Inc	49	TRANSPRT	Transportation-Truck
ZTO	Zto Express Ads Cl A	49	TRANSPRT	Transportation-Logistics
AWK	American Water Works Co	43	UTILITY	Utility-Water Supply
AWR	American States Water	43	UTILITY	Utility-Water Supply
EE	El Paso Electric Co	48	UTILITY	Utility-Electric Power
ETR	Entergy Corp	41	UTILITY	Utility-Electric Power
NEE	Nextera Energy Inc	40	UTILITY	Utility-Electric Power
SO	Southern Co	46	UTILITY	Utility-Electric Power
SRE	Sempra Energy	42	UTILITY	Utility-Diversified
WAAS	Aquaventure Holdings Ltd	47	UTILITY	Utility-Water Supply
WEC	W E C Energy Group Inc	41	UTILITY	Utility-Diversified

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