

## Sabrient Baker's Dozen Model Portfolio – April 2019

Ticker	Company Name	Industry	Mkt Cap (\$B)	NTM EPS Growth	Fwd. PE	Fwd. PEG	Div. Yield	Notes	
1	BYD	Boyd Gaming Corporation	Casinos and Gaming	3.3	32.8%	16.9	0.51	0.8%	With properties exclusively in the U.S., BYD is expected to benefit from growth in the gaming industry and sports gambling as regulations are scaled back. BYD recently acquired four new properties, giving the company access to three of the largest markets in the Midwest (Missouri, Indiana, and Ohio). The company's strategic partnership with FanDuel is expected to help BYD capitalize on the growth in sports gambling and expand BYD's online gaming across the country.
2	CF	CF Industries Holdings, Inc.	Fertilizers and Agricultural Chemicals	9.9	92.1%	20.1	0.22	2.7%	With operations primarily in the U.S., CF produces nitrogen-based crop nutrients. A tight global market has caused nitrogen prices to increase through 2018, and that situation is expected to continue into 2019 as demand growth is projected to outpace growth in supply. Higher prices have led to operating margins increasing 15% over the last year and have produced high free cash flows. CF enjoys the competitive advantage of lower energy costs versus foreign competition, as new environmental regulations in China and Europe restrict the use of lower cost coal.
3	CMC	Commercial Metals Company	Steel	2.1	51.9%	7.5	0.15	2.7%	Steel producer CMC has been working to increase the company's production of engineered specialty steel products, primarily proprietary rebar. Such specialty products provide higher margins and are less affected by changes in raw material prices. CMC is on schedule to open a new micro mill, which will increase the company's production capacity as it prepares for growing demand for nonresidential construction and infrastructure. CMC also runs a major recycling operation that is benefiting from rising scrap prices.
4	CVLT	Commvault Systems, Inc.	Systems Software	2.8	37.7%	27.7	0.74	0.0%	CVLT provides data protection solutions and related services primarily to small and medium-sized businesses at a time when data security is becoming increasingly important. The company's software helps to mitigate and recover from cyber attacks with highly automated artificial intelligence and machine learning data protection. As demand for security from hackers continues to grow, CVLT has partnered with several large cloud providers, including Amazon Web Services (AWS), Cisco, Microsoft, and Hewlett Packard, as part of its growth strategy.
5	DIN	Dine Brands Global, Inc.	Restaurants	1.5	33.2%	12.2	0.37	3.1%	DIN owns, operates, and franchises Applebee's and IHOP restaurants primarily in the U.S.. The company's highly franchised model is experiencing strong growth from off-premise sales. After a partnership with Door Dash in mid-2018, off-premise revenues increased more than 30% at both Applebee's and IHOP after a double-digit increase in traffic. Online ordering is seen as a significant growth opportunity as the average check is higher than other to-go orders.
6	GLOG	GasLog Ltd.	Oil and Gas Storage and Transportation	1.3	63.8%	17.5	0.27	3.6%	As a liquefied natural gas (LNG) logistics company, GLOG provides support services to international energy companies. Worldwide demand for LNG increased 9% in 2018, and is expected to continue growing over the next several years as developing countries move away from coal. GLOG currently operates 26 LNG carrying ships, and has another 8 ships on order to help meet the growing demand for LNG.
7	NMIH	NMI Holdings, Inc.	Thriffs and Mortgage Finance	1.8	35.0%	12.1	0.34	0.0%	NMIH is capitalizing on a favorable housing market environment for mortgage insurance, as well as benefiting from increased refinancing on existing mortgages. The company reported record bottom-line performance of \$0.46 per share for the second quarter in a row. In addition, the FHA has reiterated its commitment to its mortgage insurance programs, which helps private mortgage insurers like NMIH.
8	PCRX	Pacira BioSciences, Inc.	Pharmaceuticals	1.5	41.5%	24.9	0.60	0.0%	PCRX is a pharmaceutical company that provides alternatives to opioids for pain management following surgical operations. The company's drug EXPAREL is a non-opioid solution for pain management and is seen as a way to reduce the opioid epidemic in the U.S.. A collaboration with Johnson & Johnson is helping increase awareness of PCRX's drugs within several segments of the healthcare industry.

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9	SAVE	Spirit Airlines, Inc.	Airlines	3.8	38.7%	9.1	0.24	0.0%	SAVE operates as a low-fare airline by unbundling fees, which lets customers choose their in-flight services. The strategy of providing customers with customizable options has worked well for SAVE, allowing the airline to gain market share with revenue-per-available-seat mile increasing 11.4%. SAVE just began expanding internationally, with services to 12 popular leisure-travel destinations in Latin America and the Caribbean.
10	SSNC	SS&C Technologies Holdings, Inc.	Application Software	16.2	30.9%	16.9	0.55	0.6%	SSNC provides software for financial service providers, offering front-to-back office applications for trading, modeling, portfolio management, reporting, accounting, and performance measurement. The growing FinTech market is an area the company looks to capitalize on as investment strategies become more complex. Increasing compliance requirements, regulations, and need for transparency will continue to drive demand for SSNC's software over the long term.
11	TRV	The Travelers Companies, Inc.	Property and Casualty Insurance	35.6	23.8%	12.3	0.52	2.2%	The insurance industry is receiving a tailwind from tax reform and a strengthening economy. In addition to changes in the market environment, TRV has been able to improve its combined ratio (a measure of underwriting profitability) by 200 basis points in Q4 of 2018 compared to a year ago, making it the best quarter since 2016. Net written premiums also grew by 4.2% year-over-year, to \$6.98 billion.
12	URI	United Rentals, Inc.	Trading Companies and Distributors	9.9	16.7%	6.4	0.39	0.0%	As the largest equipment rental company in the country, URI is able to leverage its assets and capitalize on economies of scale as the company continues to outpace the growth of this fragmented market. Non-residential construction demand is expected to continue to increase in 2019 on the back of a strong domestic economy, after providing URI solid revenue growth over the last year. URI continues to expand its offerings in the non-residential market through both new facilities and the acquisitions of Blueline, Baker and Westernone.
13	VAC	Marriott Vacations Worldwide Corporation	Hotels, Resorts and Cruise Lines	4.7	30.8%	13.6	0.44	1.7%	VAC operates vacation ownership properties, such as timeshares, under a range of brands including Marriott, Sheraton, Westin, and Hyatt. The company is successfully finding new customers through its new marketing and sales strategy, which led to a 14% increase year-over-year in first-time-buyer tour growth for the most recent quarter. VAC also recently acquired ILG, adding 43 vacation ownership properties, primarily on the higher end.

	Mkt Cap (\$B)	NTM EPS Growth	Fwd. PE	Fwd. PEG	Div. Yield
<b>Average:</b>	7.3	40.7%	15.2	0.37	1.3%
<b>Median:</b>	3.3	35.0%	13.6	0.39	0.8%

**DEFINITIONS:**

**NTM EPS Growth** = Next 12 months earnings per share year-over-year expected growth rate, based on consensus of sell-side analysts as reported by S&P Capital IQ

**Fwd. PE** = Forward (or expected) Price/Earnings ratio, based on consensus of sell-side analysts' earnings per share estimates for the next 12 months as reported by S&P Capital IQ

**Fwd. PEG** = Fwd. PE divided by NTM EPS Growth rate (i.e., Ratio of Forward P/E to Forward Growth)

Numbers shown were calculated using data as of market close on 4/17/2019

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