

Sabrient Baker's Dozen Model Portfolio – May 2019

Ticker	Company Name	Industry	Mkt Cap (\$B)	NTM EPS Growth	Fwd. PE	Fwd. PEG	Div. Yield	Notes	
1	AIZ	Assurant, Inc.	Multi-line Insurance	5.9	44.3%	10.8	0.24	2.5%	AIZ provides specialty insurance products, including protection plans for mobile devices. The company has partnerships with companies like Verizon, Comcast, Charter, and T-Mobile that are expected to help drive growth. AIZ now protects more than 47 million covered mobile devices, a 26% increase over the last year.
2	ANTM	Anthem, Inc.	Managed Health Care	67.9	23.3%	12.9	0.55	1.2%	As a health insurance provider, ANTM is either the number one or two provider in each of the 14 states that it operates in with an average market share of 35%. The company's Medicare Advantage program is expected to be a driver for growth in 2019 by increasing membership by more than 20%. ANTM's recent expansion into Minnesota during the first quarter is expected to provide growth to the commercial fully-insured segment.
3	AXTA	Axalta Coating Systems Ltd.	Specialty Chemicals	6.0	31.1%	14.4	0.46	0.0%	AXTA manufactures and distributes high-performance coating materials for a variety of end-market applications. One of the major markets for the company's coatings is automobiles, which is benefited by strength in the North American commercial truck market as well as gaining market share in the body shop market. AXTA recently opened a new powder-coating production facility in Houston to better serve the Energy industry.
4	BOOM	DMC Global, Inc.	Oil and Gas Equipment and Services	1.1	37.8%	20.5	0.54	0.1%	BOOM provides explosion-welded products to the energy, industrial, and infrastructure sectors. The company recently opened a new production facility in Texas to increase production of advanced perforating charges. These explosives are used in the oil and gas industry, and BOOM is expected to benefit from the growth in well production.
5	BYD	Boyd Gaming Corporation	Casinos and Gaming	3.0	35.9%	14.5	0.40	0.9%	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.
6	CMC	Commercial Metals Company	Steel	1.9	53.6%	6.8	0.13	2.9%	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.
7	GDDY	GoDaddy Inc.	Internet Services and Infrastructure	13.4	56.2%	22.6	0.40	0.0%	GDDY offers domain name registration and hosting as well as cloud-based technology products for small businesses. As the company continues to grow its user base, it has also found ways to increase its average revenue-per-user by offering more products and services. GDDY now offers products to help entrepreneurs with e-commerce and digital marketing.
8	MCY	Mercury General Corporation	Property and Casualty Insurance	3.1	42.6%	15.1	0.35	4.5%	MCY primarily writes personal auto insurance, but the company also offers homeowners, commercial auto & property, and umbrella insurance products. The insurance industry is receiving a tailwind from a strengthening economy. MCY has been able to improve its combined ratio (a measure of underwriting profitability) by 600 basis points over the last year due to premium rate increases and lower catastrophe losses.



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9	NMIH	NMI Holdings, Inc.	Thrifths and Mortgage Finance	1.8	31.1%	11.0	0.36	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 \$0.56 per share in the most recent quarter, benefiting from increasing mortgage refinancing. In addition, the FHA has reiterated its commitment to its mortgage insurance programs, which helps private mortgage insurers like NMIH.
10	PCRX	Pacira BioSciences, Inc.	Pharmaceuticals	1.8	35.3%	26.5	0.75	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.
11	SSNC	SS&C Technologies Holdings, Inc.	Application Software	15.0	19.8%	15.2	0.77	0.7%	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.
12	URI	United Rentals, Inc.	Trading Companies and Distributors	10.1	16.6%	6.6	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	4.4	35.3%	12.3	0.35	1.8%	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 9% 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
Average:	10.4	35.6%	14.5	0.41	1.1%
Median:	4.4	35.3%	14.4	0.41	0.7%

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 5/17/2019

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