

Sabrient Baker's Dozen Model Portfolio – 3rd Quarter 2024

Ticker	Company Name	Industry	Mkt Cap (\$B)	NTM EPS Growth	Fwd. PE	Fwd. PEG	Div. Yield	Notes	
1	ALL	The Allstate Corporation	Property and Casualty Insurance	46.6	77.3%	13.6	0.18	2.2%	ALL is an insurance provider offering property & casualty, auto, and homeowners insurance products. The company is improving profitability driven by higher premiums. ALL saw a double-digit increase in earned premiums in its property insurance business during the most recent quarter. The company is also seeing growth in its National General brand due to its affordable products. ALL's investment portfolio generated 33% net investment income growth compared to last year and is well positioned for continued growth.
2	CRS	Carpenter Technology Corporation	Steel	5.9	50.2%	21.2	0.42	0.7%	CRS produces specialty alloys and performance engineered products used in aerospace, defense, healthcare, transportation, and energy. The company is focused on delivering highly engineered products to solve the current and anticipated challenges for its customers. CRS is experiencing strong growth from key areas for the company, including aerospace, defense, and medical end-markets. Demand remains strong as its customers are focused on securing supply, driving the company's backlog to record levels.
3	FTI	TechnipFMC plc	Oil and Gas Equipment and Services	11.9	93.1%	21.4	0.23	0.7%	As an equipment and services company supplying the oil and gas industry, FTI specializes in subsea and surface infrastructure for production and transportation. The company is seeing strong demand for its subsea segment with an increase in projects, driven by increased offshore activity. Its backlog continues to grow as subsea orders increased 25% compared to last year. New subsea technologies, such as processing for CO2 capture, unlock opportunities in offshore basins and are expected to drive growth over the next year.
4	GM	General Motors Company	Automobile Manufacturers	56.6	19.5%	5.2	0.26	1.0%	GM designs, manufactures, and sells automobiles under several well known brands, including Buick, Cadillac, Chevrolet, GMC, Baojun, and Wuling. The company is experiencing stronger demand for its internal combustion engine (ICE) vehicles as demand for electric vehicles has slowed. GM's crossover lineup hit record U.S. sales last year, and the company is planning on launching new models this year to capitalize on the momentum. The company continues to invest in autonomous driving through its Cruise segment, which is expected to expand testing to more cities.
5	HALO	Halozyme Therapeutics, Inc.	Biotechnology	6.9	37.5%	12.7	0.34	0.0%	HALO is a biopharma technology company specializing in proprietary enzymes that enable delivery of injectable biologics, such as monoclonal antibodies and other therapeutic molecules, as well as small molecules and fluids for the treatment of diseases including HIV, MS, testosterone replacement therapy, breast cancer, leukemia, rheumatoid arthritis and tumors. HALO's partners have been making advancements and received approvals, which are expected to drive royalty revenue for the company going forward.
6	LNW	Light & Wonder, Inc.	Casinos and Gaming	9.1	79.3%	23.8	0.30	0.0%	LNW is a cross-platform gaming equipment company that sells premium video slot machines, products for table games, and an iGaming platform. The company is a leader in using AI applications in its gaming technology to enhance its products by reducing costs and improving innovation and development. Sales of new machines continue to grow as demand for premium machine rises and gains market share. LNW is also seeing increased average daily revenue per unit growth on its growing installed base.
7	MU	Micron Technology, Inc.	Semiconductors	130.2	883.4%	15.3	0.02	0.4%	MU is a semiconductor manufacturer that designs and sells memory and storage products. The company is experiencing rapidly increasing demand for its data center products and is gaining market share in artificial intelligence-related products. Increasing demand is allowing MU to raise prices and increase margins for its data center products, which are expected to drive growth over the next year. The company is also working to expand production capacity in the U.S. after receiving a \$6.1 billion grant under the CHIPS Act.
8	NFLX	Netflix, Inc.	Movies and Entertainment	277.1	34.4%	33.2	0.96	0.0%	NFLX is a well known entertainment streaming platform that offers licensed and originally-produced content. The company has differentiated itself from competitors by aggressively expanding internationally. NFLX is now in over 190 countries while having created a large library of foreign content in order to attract a global audience. The company continues to focus on creating unique and compelling content to keep subscribers engaged and to attract new customers. NFLX has been cracking down on password-sharing (aka "freeloaders," originally estimated at 100 million users globally) and offers a lower-priced tier with ads, both of which have already led to increased revenue.

Ticker	Company Name	Industry	Mkt Cap (\$B)	NTM EPS Growth	Fwd. PE	Fwd. PEG	Div. Yield	Notes	
9	NVDA	NVIDIA Corporation	Semiconductors	2,980.7	62.4%	41.5	0.67	0.0%	NVDA produces semiconductors used for graphics, computing, and networking solutions. Generative AI and deep learning-based recommendation services are driving strong growth for the company. AI requires exponentially more computing power and is driving significantly more demand from cloud service providers and internet companies. Data centers are upgrading to NVDA's products to increase capacity to better handle the surge in demand. The company's accelerated computing chips are some of the most versatile and energy-efficient products on the market and are driving strong growth for the company.
10	PPC	Pilgrim's Pride Corporation	Packaged Foods and Meats	9.2	59.9%	10.5	0.17	0.0%	PPC is one of the world's largest poultry producers in the world, with significant market share in both the United States and Mexico. Driven by prolonged inflation, demand for chicken is increasing as it offers a better value option for consumers. Consumers continue to trade down to chicken as the price spread between chicken and beef is near record levels. Feed costs for the company are expected to remain stable as world corn and soybean stocks are currently at 5-year highs following production increases in South America.
11	RCL	Royal Caribbean Cruises Ltd.	Hotels, Resorts and Cruise Lines	42.3	32.7%	14.2	0.44	0.0%	RCL operates one of the largest cruise lines under the Royal Caribbean, Celebrity, and Silversea brands and includes more than 60 ships. The company operates some of the most modern and technologically advanced ships, providing customers with improved onboard amenities, entertainment, and experiences. RCL is benefitting from U.S. travel demand at record high levels fueling record booking volumes and increasing prices.
12	SQ	Block, Inc.	Transaction and Payment Processing Services	42.0	59.8%	19.0	0.32	0.0%	SQ is a transactions and payments company that builds ecosystems focused on commerce and financial products with a focus on small and medium-sized businesses. The company's Block platform offers businesses a wide range of resources, including payment processing, digital banking, workforce management, customer relationship management, and e-commerce solutions, creating a strong moat as more than 50% of customers use 4 or more of the products. SQ's Cash App platform also continues to drive growth with the integration of Afterpay, its short-term loan service.
13	USFD	US Foods Holding Corp.	Food Distributors	13.0	22.1%	16.2	0.73	0.0%	As a food distributor, USFD provides food services to a variety of customers, including restaurants, hospitals, nursing homes, hotels, colleges, and government organizations. The company continues to gain market share, especially among independent restaurants, due in part to its digital solutions platform which enables customers to easily place orders and manage inventory. USFD is also expanding its small-truck delivery model to provide quality customer service and improve efficiency in dense geographic areas. The company recently acquired IWC Food Services to expand into the growing Nashville, Tennessee market.

	Mkt Cap (\$B)	NTM EPS Growth	Fwd. PE	Fwd. PEG	Div. Yield
Average:	279.4	116.3%	19.1	0.16	0.4%
Median:	42.0	59.8%	16.2	0.27	0.0%

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 7/18/2024

Sabrient Systems, LLC ("SABRIENT") defines its approach to stock selection as a quantitative GARP model (Growth At a Reasonable Price) with a qualitative fundamental emphasis and forensic accounting review.

Disclaimers:

The information contained herein is based on sources believed to be reliable, but no warranty or representation of any kind, expressed or implied, is made as to its accuracy, completeness, or correctness.

This document is neither a solicitation to buy nor an offer to sell securities, and it is not intended as personalized investment advice.

Information contained herein reflects our judgment or interpretation at the time of publication and is subject to change without notice.

The Notes above reflect the opinions of SABRIENT and include forward-looking statements subject to a number of uncertainties that could cause actual results to differ materially from the statements made.

Investing involves risk and past performance is no guarantee of future results. Investment returns will fluctuate and principal value may either rise or fall.

© Copyright 2024 by Sabrient Systems LLC. Unauthorized reproduction or redistribution of this document in full or in part is strictly prohibited by law and a violation of the Copyright Act.

Information contained herein may not be reproduced in whole or in part, including photocopying or e-mail forwarding, without the express written consent of SABRIENT.

