

Sabrient Baker's Dozen Model Portfolio – 3rd Quarter 2020

Ticker	Company Name	Industry	Mkt Cap (\$B)	NTM EPS Growth	Fwd. PE	Fwd. PEG	Div. Yield	Notes	
1	ABBV	AbbVie, Inc.	Biotechnology	177.7	18.0%	9.3	0.52	4.7%	ABBV develops, produces, and sells pharmaceutical drugs to treat a wide range of conditions including cancer, cystic fibrosis, and hepatitis C. The company recently acquired Allergan, which is expected to enhance the company's growth potential over the long term. The Botox brand, which was included in the Allergan acquisition, provides ABBV new opportunities in the neuroscience and aesthetics markets. The company is also currently working on new treatments for patients with moderate to severe COVID-19.
2	APPS	Digital Turbine, Inc.	Application Software	1.1	88.3%	33.9	0.38	0.0%	APPS provides digital advertising and targeted media delivery services, along with mobile communications solutions for mobile operators and original equipment manufacturers. The company offers advanced advertising analytics to extract the exact benefit an advertiser receives from different social media platforms. This allows companies to focus ads on the platforms that provide the best return, leading to companies spending more on digital advertising due to increased effectiveness. The shutdown economy is also benefiting APPS as social media usage is significantly higher than last year. The recent acquisition of Mobile Posse is expected to add T-Mobile, to go along with other major carriers such as Verizon and AT&T, as customers of APPS communication services business.
3	AZN	AstraZeneca PLC	Pharmaceuticals	151.2	43.2%	23.3	0.54	0.0%	AZN is a pharmaceutical company that is primarily focused on cancer treatments. The company has a robust pipeline of new drugs that are expected to be approved over the next year and will drive growth over the long term. AZN is also investing heavily in China and emerging markets, which has become an attractive growth market for the company as access to quality healthcare increases across the world during the global pandemic. China and emerging markets currently make up 36% of AZN's sales, with emerging markets growth hitting a new high in the most recent quarter.
4	CACI	CACI International, Inc.	IT Consulting and Other Services	4.9	24.9%	14.5	0.58	0.0%	CACI provides cyber security and information solutions to businesses and government entities, including the military. The company is constantly advancing the protection of vital communications and IT infrastructure. As online communications continue to grow, the demand for cyber security will increase. CACI was recently awarded a contract by the U.S. Navy to provide mission expertise to submarines.
5	CHTR	Charter Communications, Inc.	Cable and Satellite	116.6	63.0%	40.8	0.65	0.0%	CHTR offers cable and internet services to both individuals and businesses, primarily on a subscription basis. The company has shifted its priority to acquiring new internet customers instead of cable subscribers over the last year. This shift positions CHTR to capitalize on the rapid growth in data consumption as the work-from-home trend continues to grow at-home data usage. Video consumption continues to transition to internet platforms, creating demand for higher speeds and CHTR's higher tiers of products.
6	CNC	Centene Corporation	Managed Health Care	38.4	41.8%	12.0	0.29	0.0%	CNC is a managed care provider for government-sponsored health care programs focused on uninsured and underinsured, including Medicaid and Medicare. The recent acquisition of WellCare added 9 million new healthcare plan members, an increase of more than 60% from last year. CNC is expected to benefit from increased levels of unemployment as more people are forced to find alternatives to employer-sponsored coverage. Even as the economy begins to open back up, unemployment is expected to remain above the levels seen in 2019.
7	EBAY	eBay, Inc.	Internet and Direct Marketing Retail	40.8	23.6%	16.1	0.68	1.1%	EBAY operates an e-commerce platform that connects buyers and sellers worldwide. The company has been a beneficiary of the stay-at-home economy, as e-commerce spending is growing at a rapid rate. Sellers on the platform are increasing advertising to drive conversions, and promoted listings revenue has more than doubled so far in 2020 compared to 2019. The company is developing a new end-to-end payments system that is expected to benefit the company following the end of its exclusivity agreement with PayPal.
8	GDDY	GoDaddy, Inc.	Internet Services and Infrastructure	11.4	44.5%	17.1	0.38	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. The company is well positioned to benefit from increased unemployment as more people are turning to starting their own business.

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9	NXST	Nexstar Media Group, Inc.	Broadcasting	3.8	70.7%	6.7	0.09	2.6%	NXST focuses on operating television stations and interactive community websites in medium-sized markets. The company is the #1 US television broadcaster with 196 stations, reaching 38% of US households. Retransmission revenues, which represent about half of the company's revenues, are not expected to be impacted from COVID-19. Ad revenues are also expected to increase in 2020 due to increased political ad spending. NXST is also benefitting from its stake in the Cooking Channel which has seen a spike in viewership as Americans are forced to do more cooking at home.
10	QDEL	Quidel Corporation	Health Care Supplies	11.2	184.6%	28.6	0.15	0.0%	QDEL creates testing solutions for infectious diseases, including COVID-19. The FDA has approved the company's COVID-19 rapid testing system that can provide results in 15 minutes. The continued rise in active cases is leading to increasing demand for tests across the country, benefiting QDEL. As testing is expected to play a critical role in the continued reopening plan, the company continues to expand capacity to produce more tests.
11	SSRM	SSR Mining, Inc.	Gold	2.7	88.4%	15.7	0.18	0.0%	SSRM engages in the exploration and mining of precious metals. The company recently merged with Alacer Gold and sold its stake in SilverCrest, leveraging the company further towards gold. The combined company is expected to have an annual production capacity of approximately 780,000 gold equivalent ounces. Gold price trends are expected to remain positive over the next year due to increasing economic uncertainty and the expanding money supply.
12	SWX	Southwest Gas Holdings, Inc.	Gas Utilities	4.0	24.1%	17.6	0.73	3.2%	SWX supplies natural gas across the southwestern United States, primarily in Arizona. The company is well positioned to benefit from the rapidly growing population in Arizona, which is expected to grow at nearly double the national average. Aggressive homebuilding activity in the Phoenix, Las Vegas, and Tucson markets is expected to provide SWX with new customers over the next several years.
13	WGO	Winnebago Industries, Inc.	Automobile Manufacturers	2.1	73.8%	16.6	0.22	0.7%	WGO continues to improve its position in the RV industry. The company successfully expanded its product offerings to include more towables, the faster growing part of the market. With the recent acquisition of Newmar, WGO is working to expand into the luxury end of the market. Newmar will expose WGO to a new segment of the RV market, while also providing higher margins. The company should continue to benefit from prolonged social distancing measures as vacationers look for alternatives to air travel.

	Mkt Cap (\$B)	NTM EPS Growth	Fwd. PE	Fwd. PEG	Div. Yield
Average:	43.5	60.7%	19.4	0.32	0.9%
Median:	11.2	44.5%	16.6	0.37	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 7/17/2020

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