

## Sabrient Baker's Dozen Model Portfolio – 4th Quarter 2022

Ticker	Company Name	Industry	Mkt Cap (\$B)	NTM EPS Growth	Fwd. PE	Fwd. PEG	Div. Yield	Notes	
1	ALK	ALASKA AIR GROUP INC	Airlines	5.3	91.1%	8.5	0.09	0.0%	ALK is a Seattle-based passenger airline that flies to approximately 120 cities, primarily in the U.S. and Canada. The airline continues to benefit from the growing demand for leisure travel. Leisure demand has already surpassed 2019 levels and is projected to continue over the next year. Corporate business travel also continues to recover and just hit its highest level since the start of the pandemic. ALK is also currently upgrading its fleet with new planes that offer more premium seating and increased margins.
2	BOX	BOX INC	Application Software	3.9	35.0%	20.9	0.60	0.0%	BOX operates as a software-as-a-service platform, providing cloud content management that enables organizations to better manage and share content. The company primarily serves the financial services, healthcare, government, and legal services industries. BOX is a major beneficiary of the work-from-anywhere trend that has grown significantly in the last two years and will likely continue for the foreseeable future. The company has increased its security capabilities to help its customers combat cyber attacks and secure their data. The success of the company over the last year has allowed it to win larger contracts with bigger companies and enter into partnerships with leading business technology companies such as Zoom, Slack, Cisco, and Microsoft.
3	DAR	DARLING INGREDIENTS INC	Agricultural Products	12.0	49.7%	11.7	0.24	0.0%	DAR is an agricultural products company that converts food waste into sustainable food products and renewable energy. As a supplier of livestock feed, the company serves as a hedge against inflation that benefits from rising protein and animal fat prices over the next year. DAR is also capitalizing on the rapid growth of collagen protein through its Valley Proteins brand.
4	DE	DEERE & CO	Agricultural & Farm Machinery	112.1	40.0%	13.7	0.34	1.2%	As a manufacturer of agriculture, landscaping, construction, and forestry equipment, DE makes all sizes of tractors, harvesters, and lawn mowers. The company is rolling out new equipment that utilizes cutting edge technology. DE is now offering self-driving tractors and a new see-and-spray system that can detect weeds when spraying herbicide. The company's focus on technology has led to innovative products that help farmers be more precise with their farming techniques, which reduces costs to the farmer.
5	DVN	DEVON ENERGY CORP	Oil & Gas Exploration & Production	47.1	41.3%	7.3	0.18	8.9%	DVN is an independent oil & gas production and exploration company with operations across the U.S. The company is experiencing great performance from its assets in the Delaware Basin, driving increased productivity and higher margins. DVN expects to bring 40 new wells online over the next year. This comes after the company increased production significantly over the last 12 months. The company appears poised to capitalize on oil prices that are expected to remain elevated over the next year.
6	EWBC	EAST WEST BANCORP INC	Regional Banks	10.0	35.3%	8.0	0.23	2.2%	EWBC is a California-based bank that offers both commercial and individual banking services such as small-business and home loans. The company recently increased its expected loan growth and net interest income for the next year. EWBC is expected to be a major beneficiary from rising interest rates with higher loan yield leading to a 25 basis point increase in net interest margin.
7	GPK	GRAPHIC PACKAGING HOLDING CO	Paper Packaging	6.5	32.1%	9.3	0.29	1.9%	GPK produces paper packaging solutions for food, beverage, and consumer products. The company is a leader in sustainable packaging solutions, which are replacing plastic at an accelerating rate. GPK recently announced new packaging for Procter & Gamble's beauty products using recycled paperboard. As more consumer brands work to meet new sustainability initiatives, GPK's packaging solutions are key to helping companies meet their goals.
8	HAL	HALLIBURTON CO	Oil & Gas Equipment & Services	29.0	65.6%	13.0	0.20	1.6%	HAL is a provider of products and services to oilfields. The company assists oil producers in every stage of the oilfield lifecycle, including exploration, well construction, completion & production, and abandonment. HAL benefits from elevated oil prices as oil producers spend significantly more on services to increase efficiency and production capacity. HAL's new technology is helping to bring about a new age of oil production that is more efficient and requires less human capital.

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9	IMO	IMPERIAL OIL LTD	Integrated Oil & Gas	31.0	57.8%	6.9	0.12	2.1%	IMO is a vertically integrated oil & gas company headquartered in Canada that engages in the exploration, production, and sale of natural gas and crude oil, as well as the transportation, refining, and marketing of refined products and chemicals. The company recently had its second largest upstream production output in the last 30 years. IMO continues to increase its production capacity in order to capitalize on elevated prices and a tight supply environment. Demand for jet fuel is also on the rise as air travel returns to prepandemic levels. IMO is a subsidiary of Exxon Mobil Corp (XOM).
10	LNTH	LANTHEUS HOLDINGS INC	Health Care Supplies	4.8	66.4%	19.4	0.29	0.0%	As a health care supplies company, LNTH produces diagnostic and therapeutic products that help identify heart problems, cancer, and other serious medical conditions. The company is a market leader in imaging agents with the top ultrasound enhancing agent and the most used radiopharmaceutical imaging agent in the U.S. PYLARIFY, used during prostate cancer screenings and treatment, received approval last year and is quickly becoming the standard of choice due to its high precision. CT and PET scans are rapidly growing as radiopharmaceuticals improve the ability to fight cancer.
11	MUR	MURPHY OIL CORP	Oil & Gas Exploration & Production	7.0	128.0%	6.0	0.05	2.3%	MUR is an oil & gas exploration and production company, with operations in the U.S., Canada, and the Gulf of Mexico. The company is rapidly expanding production in the Gulf with four new projects coming online in the region. MUR is capitalizing on higher oil and natural gas prices with increased production. The company is also effectively reducing its debt and greenhouse gas emissions, which should set it up for long-term success.
12	NTR	NUTRIEN LTD	Fertilizers & Agricultural Chemicals	44.0	32.4%	6.8	0.21	2.4%	NTR produces farming nutrients and fertilizers such as potash, nitrogen, phosphate, and sulfate. The company is well positioned to benefit from reduced output in eastern Europe due to the war in Ukraine. NTR is also benefiting from higher natural gas prices in western Europe, driving up costs for its competitors. Demand for fertilizers remains strong as farmers look to capitalize on elevated crop prices and replenish the depleted grain stocks.
13	PGR	PROGRESSIVE CORP-OHIO	Property & Casualty Insurance	70.9	70.9%	20.0	0.28	1.6%	As an insurance provider, PGR offers auto, liability, and property & casualty insurance products. The company is a major beneficiary of rising interest rates, which have a large impact on returns for PGR's investment portfolio, which primarily consists of fixed income securities with low duration. PGR leads the market in commercial auto insurance with policies in force increasing 12% over the past year.

	Mkt Cap (\$B)	NTM EPS Growth	Fwd. PE	Fwd. PEG	Div. Yield
<b>Average:</b>	29.5	57.3%	11.7	0.20	1.9%
<b>Median:</b>	12.0	49.7%	9.3	0.19	1.6%

**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 10/19/2022

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