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Finding Growth Beyond the Headlines

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LATEST INSIGHT

Which Growth Investing Stocks Are Going Full Throttle?

By Cynthia McLaughlin

May is one of my favorite months because of the excitement and anticipation surrounding the Indianapolis 500. The race blends athleticism, cutting-edge technology and tradition into one of the signature events of Memorial Day weekend. What I find especially fascinating is the way the cars harness inertia and momentum as they navigate each 2.5-mile lap. Top qualifying speeds this year were above 230 miles per hour. That combination of speed and momentum provides a backdrop for highlighting momentum within the Growth Investing model portfolio. I also provide an update on recent model portfolio rebalancing activities.

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Growth of \$100,000

AAII Growth Investing Portfolio



AAII Growth Investing Portfolio		iShares Core S&P 500 (IVV)	
Total Return	Day	0.4%	0.2%
	Week	(18.3%)	0.5%
	Month	(16.9%)	3.3%
	YTD	(26.7%)	8.9%

Quantitative and Qualitative Criteria

Ticker ↕	Company ↕	Growth Composite		Growth Composite Components			G-Score ▼	G-Score Component Conditions							
		Score ↕	Grade ↕	5-Yr Sales Growth ↕	# YoY Sales Increases Y6 to Y1 ↕	# Years Positive CFO Y6 to Y1 ↕		Return on Assets (ROA) ↕	Cash Flow ROA ↕	Accruals ↕	Earnings Variability ↕	Sales Variability ↕	R&D Intensity ↕	Capex Intensity ↕	Advertising Intensity ↕
+ MTCH	Match Group, Inc.	100	A	7.8%	5	5	8	✓	✓	✓	✓	✓	✓	✓	✓
+ INCY	Incyte Corporation	89	A	14.0%	5	5	8	✓	✓	✓	✓	✓	✓	✓	✓
+ GRMN	Garmin Ltd.	83	A	11.6%	4	5	8	✓	✓	✓	✓	✓	✓	✓	✓

Growth Investing Strategy

- 20-stock model portfolio following a rules-based approach
- Evaluating Stocks with Growth Investing
 - Growth Grade
 - Reward companies with strong and sustainable growth, not the highest absolute growth
 - Higher grades, too, for a history of annual positive cash from operations and year-over-year sales growth
 - Mohanram's G-Score
 - An eight-factor model using financial statement analysis for analyzing growth companies
 - A means of evaluating the "quality" of a company's growth prospects by looking at elements of profitability, operating stability and accounting conservatism

Growth Investing Selection Criteria

- Growth Grade of A
- G-Score of 7 or 8
- Quality Grade of A or B
- Positive cash from operations for the trailing 12 months
- Positive year-over-year sales growth for the last-reported fiscal quarter
- Listed on the major U.S. stock exchanges (Nasdaq, New York and NYSE Amex)
- Minimum three-month average daily dollar volume of \$1 million and three-month average monthly volume of 200,000 shares
- Minimum market capitalization of \$400 million

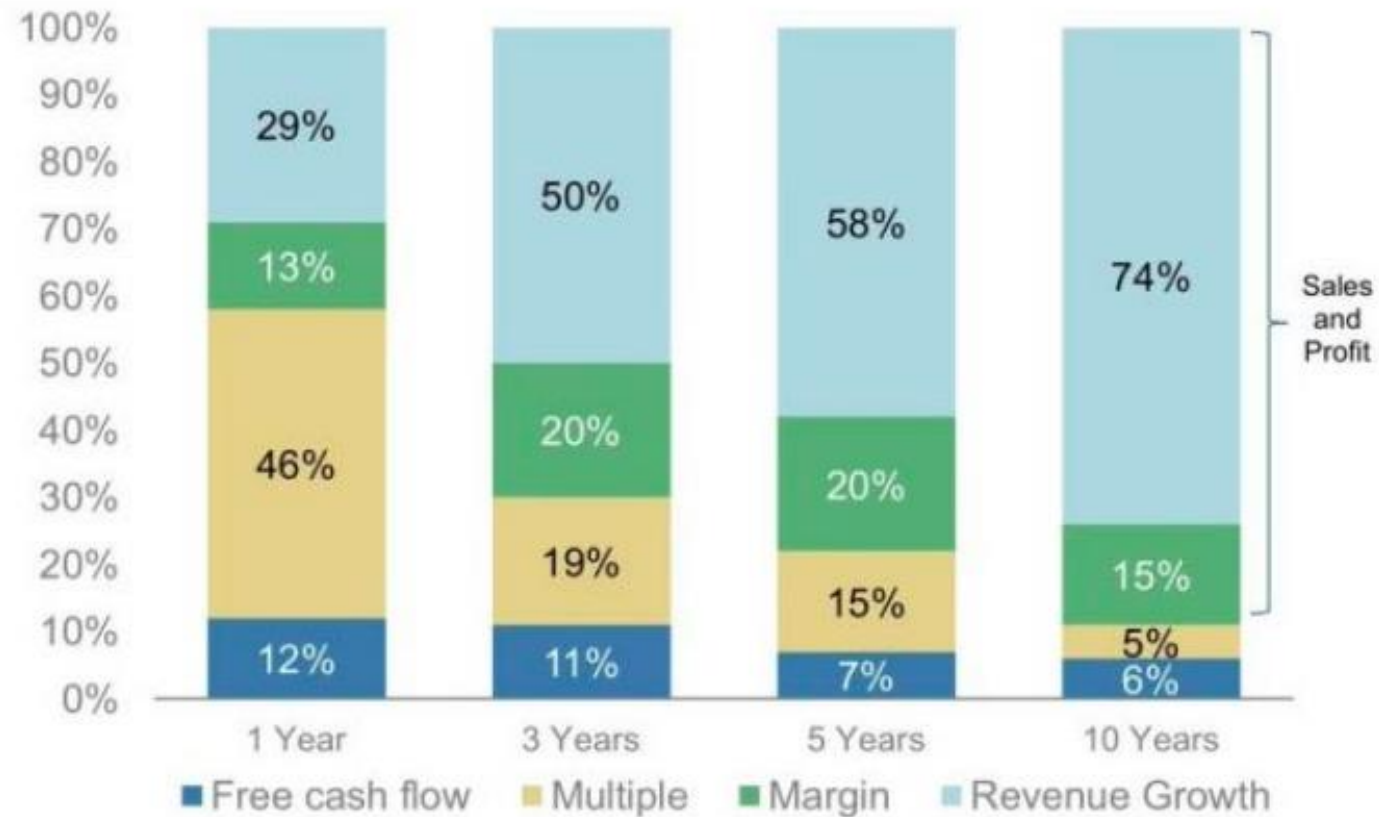
PEG Ratio With 3-Yr Estimated Growth

Growth Investing Portfolio Ranked by PEG Ratio With 3-Year Estimated EPS Growth

Company	Ticker	Forward P/E Ratio	EPS Growth Rate (%)			PEG Ratio			Sector
						3-Yr	3-5- Yr	5-Yr	
			3-Yr	3-5 Yr	5-Yr	Est EPS Growth	Est EPS Growth	Hist EPS Growth	
Match Group, Inc.	MTCH	9.4	17.4	16.0	2.6	0.54	0.59	3.62	Comm Serv
Taboola.com Ltd.	TBLA	7.8	12.3	24.9	18.9	0.63	0.31	0.41	Comm Serv
Brinker International, Inc.	EAT	12.2	15.4	15.0	67.6	0.79	0.81	0.18	Cons Disc
Exelixis, Inc.	EXEL	14.0	15.2	11.0	51.4	0.92	1.28	0.27	Health Care
Generac Holdings Inc.	GNRC	27.3	29.3	12.0	(13.3)	0.93	2.28	(2.05)	Industrials
Eli Lilly and Company	LLY	28.2	28.6	20.0	27.6	0.99	1.41	1.02	Health Care
Incyte Corporation	INCY	12.6	12.5	12.2	46.3	1.01	1.03	0.27	Health Care
Intuit Inc.	INTU	16.5	14.7	14.4	14.6	1.12	1.15	1.13	Info Tech
American Express Company	AXP	17.6	14.0	14.4	32.5	1.26	1.22	0.54	Financials
ASML Holding N.V.	ASML	42.5	31.4	23.3	22.8	1.36	1.82	1.86	Info Tech
MercadoLibre, Inc.	MELI	39.9	28.7	32.0	245.8	1.39	1.25	0.16	Cons Disc
Amazon.com, Inc.	AMZN	30.6	20.5	22.2	28.0	1.49	1.38	1.09	Cons Disc
Alphabet Inc.	GOOGL	27.3	16.3	15.7	29.8	1.67	1.74	0.92	Comm Serv
The New York Times Comp.	NYT	26.1	13.0	16.5	28.4	2.00	1.58	0.92	Comm Serv
MSCI Inc.	MSCI	29.6	13.8	14.2	17.1	2.14	2.08	1.73	Financials
Synopsys, Inc.	SNPS	34.5	16.0	14.5	13.6	2.16	2.39	2.54	Info Tech
Jack Henry & Associates, In	JKHY	21.4	8.8	10.0	10.1	2.43	2.14	2.12	Financials
Garmin Ltd.	GRMN	24.9	8.5	6.9	10.7	2.91	3.59	2.33	Cons Disc
Walmart Inc	WMT	44.8	12.2	9.9	11.5	3.67	4.55	3.90	Con Staples
Rollins, Inc.	ROL	42.7	11.3	12.5	15.0	3.78	3.40	2.85	Industrials

Sales Growth Is the Key Driver of Long-Term Stock Performance Sources of Total Shareholder Return for Top-Quartile Performers

S&P 500 (1990 – 2009)



Source: BCG Analysis, Morgan Stanley Research

High Growth Expectations, High Valuations

Company	Ticker	Value Grade	Value Score	Growth Grade	Growth Score	Sector
ASML Holding N.V.	ASML	F	3	A	83	Info Tech
Synopsys, Inc.	SNPS	F	6	A	89	Info Tech
Eli Lilly and Company	LLY	F	8	B	69	Health Care
Rollins, Inc.	ROL	F	9	A	89	Industrials
Alphabet Inc.	GOOGL	F	12	A	89	Comms Serv
Generac Holdings Inc.	GNRC	F	14	B	64	Industrials
Walmart Inc.	WMT	F	17	B	78	Cons Staples
Amazon.com, Inc.	AMZN	F	18	A	89	Cons Disc
Garmin Ltd.	GRMN	F	18	A	83	Cons Disc
MSCI Inc.	MSCI	D	21	A	89	Financials
The New York Times Comp	NYT	D	24	A	100	Comms Serv
Intuit Inc.	INTU	D	25	B	69	Info Tech
MercadoLibre, Inc.	MELI	D	27	B	69	Cons Disc
Jack Henry & Associates, Inc.	JKHY	D	36	A	100	Financials
American Express Company	AXP	D	40	A	89	Financials
Incyte Corporation	INCY	C	48	A	89	Health Care
Exelixis, Inc.	EXEL	C	49	A	89	Health Care
Brinker International, Inc.	EAT	B	62	A	89	Cons Disc
Match Group, Inc.	MTCH	A	82	A	100	Comms Serv
Taboola.com Ltd.	TBLA	A	92	A	100	Comms Serv

When to Sell

- Growth Grade falls to D or F (Growth Score of 40 or lower)
- G-Score falls below 5 (4 or lower)
- Quality Grade falls to F
- Year-over-year sales growth is negative for four consecutive quarters
- Five-year annualized sales growth falls to the bottom quintile of the stock universe (rank of 20% or lower)
- Cash from operations (operating cash flow) is negative over the trailing 12 months (last four fiscal quarters)
- Over the three years since being added to the portfolio, the stock has underperformed the portfolio benchmark—iShares Core S&P 500 ETF (IVV)
- Stock has underperformed the iShares Core S&P 500 ETF by more than 50 percentage points from its high closing price since being added to the model portfolio (relative strength from high below 0.50)

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Price data delayed up to 20 minutes. All other data as of 05/20/2026.

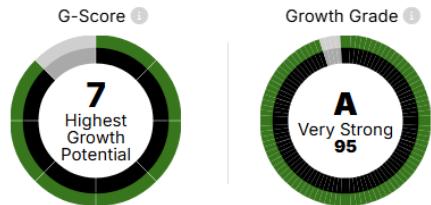
Ticker	Company	Latest Price	Risk Index	Growth Composite		G-Score	Sector	Industry
				Score	Grade			
+ ATMU	Atmus Filtration Technologies Inc.	\$48.43	2.46	100	A	7	Industrials	Machinery
+ BJ	BJ's Wholesale Club Holdings, Inc.	\$94.43	1.64	100	A	7	Consumer Staples	Consumer Staples Distribution & Retail
+ BOX	Box, Inc.	\$25.40	1.98	100	A	7	Information Technology	Software
+ BRC	Brady Corporation	\$84.56	1.44	100	A	8	Industrials	Commercial Services & Supplies
+ CMPR	Cimpress plc	\$95.17	3.35	100	A	7	Industrials	Commercial Services & Supplies
+ FDS	FactSet Research Systems Inc.	\$225.01	1.71	100	A	7	Financials	Capital Markets
+ GNTX	Gentex Corporation	\$23.40	1.88	100	A	7	Consumer Discretionary	Automobile Components
+ ITRN	Ituran Location and Control Ltd.	\$58.27	2.32	100	A	7	Information Technology	Communications Equipment
+ OOMA	Ooma, Inc.	\$18.87	2.67	100	A	8	Information Technology	Software
+ PYPL	PayPal Holdings, Inc.	\$44.30	2.25	100	A	8	Financials	Financial Services
+ PEP	PepsiCo, Inc.	\$148.85	1.15	100	A	7	Consumer Staples	Beverages
+ PM	Philip Morris International Inc.	\$188.46	1.75	100	A	7	Consumer Staples	Tobacco
+ SBUX	Starbucks Corporation	\$104.13	2.18	100	A	7	Consumer Discretionary	Hotels, Restaurants & Leisure

Growth Investing Ideas

- *As of 5/20/2026*
 - 42 stocks on the Growth Investing Ideas list
 - Median market capitalization of \$13.0 billion, average of \$198.4 billion
 - Apple Inc. (AAPL) with a market cap of \$4.5 trillion
 - Ooma Inc. (OOMA) with a market cap of \$526.0 million
 - Sector breakdown
 - 11 in Information Technology
 - 11 in Consumer Discretionary
 - 9 in Industrials
 - 2 in Financials
 - 2 in Communication Services
 - 1 in Healthcare
 - 4 in Consumer Staples
 - 1 in Real Estate
 - 0 in Materials, Energy or Utilities

Growth Analyzer

AAll Growth Investing Report Card



[Learn About the G-Score](#) [Learn About the Growth Grade](#)

G-Score Factor Tests

Profitability & Cash Flow

- ✓ [Return on Assets](#)
- ✓ [Cash Flow ROA](#)
- ✓ [Accruals](#)

Business Variability

- ✓ [Earnings Variability](#)
- ✓ [Sales Growth Variability](#)

Accounting Conservatism

Chart Grade History

\$304.99 ↑ 2.74 (0.91%)

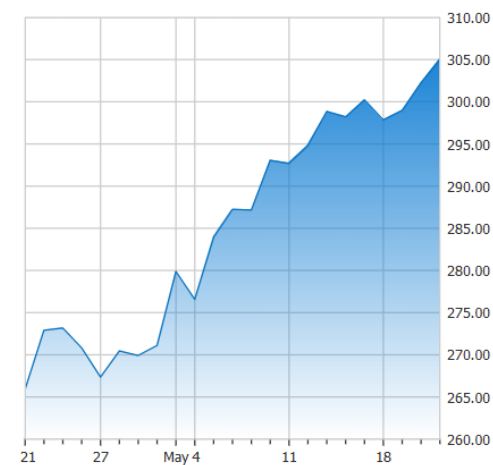
Bid: 304.49 x 200 Ask: 304.61 x 120

May 21, 2026 4:00 PM ET Volume: 42,868,896

After Hours: 304.5 -0.49 (-0.16%) May 21, 2026 4:54 PM ET Volume: 9,933,989

USD | NASDAQ GLOBAL SELECT | DELAYED PRICE | MARKET CLOSED

Detailed Quote



1d 5d 1m 3m 6m 1y 5y

Last	304.99	Volume	42.87m
\$ Chg	2.74	% Chg	0.91%
Open	301.06	Prev. Close	302.25
High	305.54	Low	300.40
Bid	304.49	Ask	304.61
Bid Size	200	Ask Size	120
Beta	1.06581	VWAP	303.9737
Year High	303.20	Year Low	193.46
Dividend ...	0.27 USD	Forward ...	0.36%
Previous ...	2026-05-14	Previous ...	2026-05-11
Dividend ...	Q	Total Sha...	14.69b
Trailing D...	1.31	Shares Out	14.69b
Forward ...	1.08	P/E Ratio	37.84
Market Cap	4.48t	Payout R...	13.00%
P/B Ratio	49.79	Exchange	NGS
EPS	8.26		

G-Score Factor Tests

Profitability & Cash Flow — Passes 3 of 3

✓ Return on Assets (ROA)

AAPL's return on assets is 34.9%, while the median ROA for the Technology Hardware, Storage & Peripherals industry is (0.2%). AAPL's return on assets is greater than its respective industry median. Therefore, it PASSES this test and is awarded a point on the G-Score scale.

✓ Cash Flow ROA

AAPL's cash flow return on assets is 42.3%, while the median cash flow ROA for the Technology Hardware, Storage & Peripherals industry is 6.0%. AAPL's cash flow return on assets is greater than its respective industry median. Therefore, it PASSES this test and is awarded a point on the G-Score scale.

Earnings may be less meaningful than cash flow for the early-stage companies that are likely to be found among high-growth companies. Operating cash flow is reported on the statement of cash flows. It measures a company's ability to generate cash from its day-to-day operations as it provides goods and services to its customers. Operating cash flows consider factors such as cash from the collection of accounts receivable, the cash consumed in the production of goods or services, payments made to suppliers, labor costs, taxes and interest payments. Positive cash from operations implies that a firm could generate enough cash from continuing operations without additional funds. Conversely, negative cash flow from operations indicates that additional cash inflows were required for the firm's day-to-day operations.

Profitability can be measured by dividing the cash flow from operations by total assets. This is like the ROA calculation, but it is based on operating cash flow instead of net income. A stock is awarded one point on the G-Score scale if the cash flow ROA exceeds the firm's industry median. Otherwise, a zero is awarded in calculating its G-Score.

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Price data delayed up to 20 minutes. All other data as of 05/20/2026.

Ticker ↕	Company ↕	Portfolio Addition Alert		Latest Price ↕	Return Since Purchase ↕	Currently Qualifies ↕	G-Score ↕	Growth Composite		Quality		Industry ↕	Notes ↕	News ↕
		Date ↕	Price ↕					Score ↕	Grade ↕	Score ↕	Grade ↕			
+ GOOGL	Alphabet Inc.	11/07/2022	\$88.49	\$387.66	338.1%	✓	7	89	A	88	A	Interactive Media & Services		News Archive for GOOGL
+ AMZN	Amazon.com, Inc.	11/07/2022	\$90.53	\$268.46	196.5%	✗	6	89	A	73	B	Broadline Retail		05/20/2026 News
+ AXP	American Express Company	01/14/2026	\$358.26	\$309.70	(13.9%)	✗	6	89	A	64	B	Consumer Finance		News Archive for AXP
+ ASML	ASML Holding N.V.	10/26/2022	\$482.64	\$1,592.00	231.2%	✓	7	83	A	82	A	Semiconductors & Semiconductor Equipment		News Archive for ASML
+ EAT	Brinker International, Inc.	10/02/2025	\$127.74	\$136.57	8.1%	✓	7	89	A	97	A	Hotels, Restaurants & Leisure		News Archive for EAT
+ LLY	Eli Lilly and Company	11/14/2022	\$356.06	\$1,041.65	192.5%	✗	6	69	B	89	A	Pharmaceuticals		05/20/2026 News
+ EXEL	Exelixis, Inc.	03/08/2024	\$22.21	\$49.65	120.7%	✗	6	89	A	99	A	Biotechnology		05/20/2026 News
+ GRMN	Garmin Ltd.	09/08/2023	\$102.77	\$239.78	125.4%	✓	8	83	A	93	A	Household Durables		News Archive for GRMN

Building Your Own Portfolio

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															Portfolio Holdings		Portfolio Performance		Portfolio Growth Analysis		Portfolio Characteristics																
															Price data delayed up to 20 minutes. All other data as of 05/20/2026.																						
Ticker	Company	Portfolio Addition Alert		Latest Price	Return Since Purchase	Currently Qualifies	G-Score	Growth Composite		Quality		Industry	Notes	News																							
		Date	Price					Score	Grade	Score	Grade																										
GOOGL	Alphabet Inc.	11/07/2022	\$88.49	\$387.66	338.1%		7	89	A	88	A	Interactive Media & Services		News Archive for GOOGL																							
ASML	ASML Holding N.V.	10/26/2022	\$482.64	\$1,592.00	231.2%		7	83	A	82	A	Semiconductors & Semiconductor Equipment		News Archive for ASML																							
GRMN	Garmin Ltd.	09/08/2023	\$102.77	\$239.78	125.4%		8	83	A	93	A	Household Durables		News Archive for GRMN																							
TBLA	Taboola.com Ltd.	11/12/2025	\$4.17	\$4.93	23.4%		7	100	A	97	A	Interactive Media & Services		News Archive for TBLA																							
NYT	The New York Times Company	12/10/2025	\$67.70	\$74.26	9.7%		7	100	A	99	A	Media		News Archive for NYT																							
EAT	Brinker International, Inc.	10/02/2025	\$127.74	\$136.57	8.1%		7	89	A	97	A	Hotels, Restaurants & Leisure		News Archive for EAT																							
INCY	Incyte Corporation	05/14/2026	\$0.00	\$97.41	2.5%		8	89	A	94	A	Biotechnology		05/20/2026 News																							
MSCI	MSCI Inc.	09/15/2025	\$576.61	\$582.34	1.0%		7	89	A	97	A	Capital Markets		News Archive for MSCI																							
MTCH	Match Group, Inc.	05/14/2026	\$0.00	\$35.66	(0.8%)		8	100	A	94	A	Interactive Media & Services																									
JKHY	Jack Henry & Associates, Inc.	06/27/2025	\$178.32	\$139.56	(21.7%)		7	100	A	99	A	Financial Services		News Archive for JKHY																							
AMZN	Amazon.com, Inc.	11/07/2022	\$90.53	\$268.46	196.5%		6	89	A	73	B	Broadline Retail		05/20/2026 News																							

What About Dividends?

- The strategy does not specifically identify or select stocks that pay dividends.
- Stocks in the Growth Investing portfolio will receive most of their returns from capital appreciation/price gains.
- Currently, 11 of the 20 holdings pay dividends.
 - Yields range from 2.24% to 0.23%.

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