STOCK SUPERSTARS REPORT

Harnessing the Power of "Guru" Investors

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Stock Superstars Report
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Harnessing the Power of "Guru" Investors

- Overview of the Stock Superstar Report Genesis and Approach
- Overview of the Four Current SSR Strategies
- Present Relative Performance
- Example of Idea/Holding From Each Approach

AAII American Association of Individual Investors

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Popular Approaches

- AAII has examined the characteristics of successful investors (Guru) and common factors
- AAII's superstar guru screens are inspired by their works and philosophies
  - The passing companies do not necessarily reflect stocks they would invest in
- Tracking performance of our interpretation of these approaches on AAII.com
- Tables of companies passing screens and performance results available on AAII.com within "Stocks" section of site

Stock Strategies Presented in AAII Journal

Theory & Ideas

aaii.com/journal/article/237855-looking-to-lakonishok-for-latent-gems...

AAII, the American Association of Individual Investors

Looking to Lakonishok for Latent Gems

by John Bajkowski

- Josef Lakonishok is a professor who became a money manager
- The long-term performance of AAII's screen based on Lakonishok's approach has been strong
- The Lakonishok screen identifies undervalued mid- and large-cap stocks with rising momentum and earnings estimates

Value investing consists of buying unappreciated or ignored stocks at attractive prices. Value investors seek stocks that are attractively priced relative to some measure of intrinsic worth—for instance, they look for stocks selling at temporarily low multiples of price relative to book value, cash flow, earnings or sales. The idea is that, while these stocks may be beaten down, eventually the market will realize the worth in these firms and prices will rise. While value investing has historically outperformed the more glamorous growth investing approach, the approach can also fall out of favor at times.

In the book "Investment Titans" (McGraw-Hill, 2001), Jonathan Burton talks with a value investor who made a name for himself, first in the realm of academia and then in the investment management arena: Josef Lakonishok. This professor-turned-money manager is one of the founding principals at LSV Asset Management. Other firm-founding principals include fellow academicians Andrei Shleifer and Robert Vishny. The firm's philosophy is to buy out-of-favor companies that are beginning to show signs of awakening.

Over the long run, according to Lakonishok, value outperforms growth because investors don't expect much from it. When a value stock does better than expected, investors are pleasantly surprised and are more apt to reward the company by bidding up the stock.

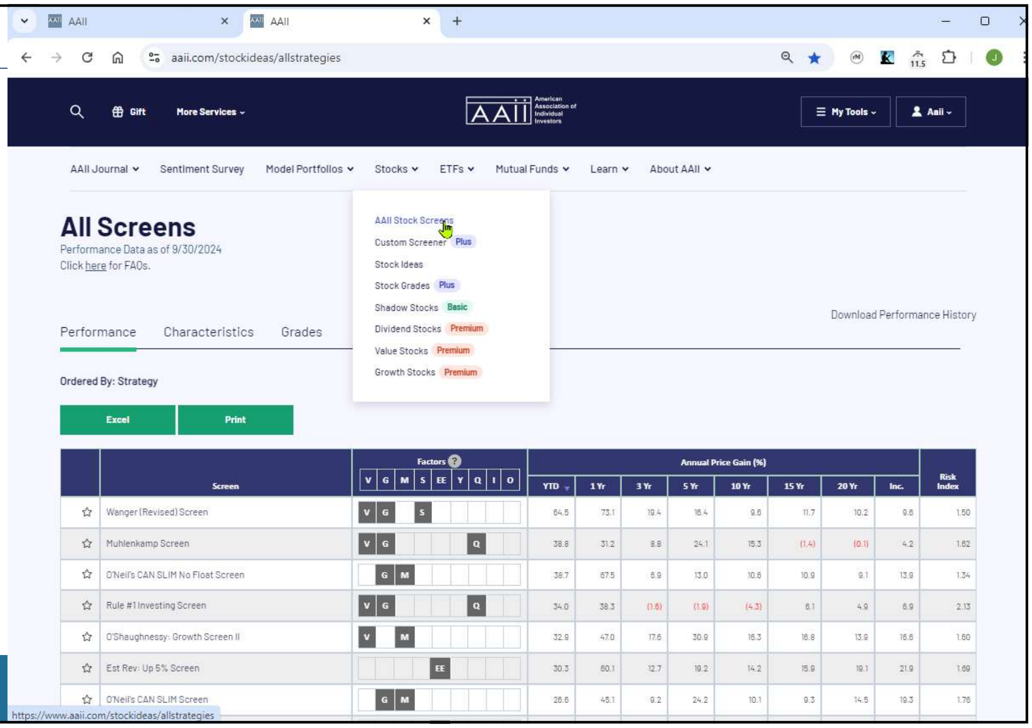
In contrast, Lakonishok believes investors expect too much from growth stocks. It is unrealistic to believe strong growth lasts forever. Eventually, the company will miss an earnings target or lower its earnings guidance, and the market will punish the stock price.

We developed the AAII Lakonishok screen in AAII's fundamental stock screening and research program *Stock Investor Pro*. Our screen is an interpretation of Lakonishok's methodology, as outlined in "Investment Titans." AAII members can also access the screen and its passing companies on AAII.com.

- The Lakonishok screen seeks mid- and large-cap firms that have:
- Price multiples that are lower than the respective industry norms;
- Rising price momentum; and
- Upward earnings estimate revisions.

Screen Performance

AAII Stock Screens



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AAII Stock Screens

- Screens can help to identify and analyze stocks in an organized, systematic and disciplined fashion
- Passing companies represent candidates for consideration which capture the style of each approach
- Challenge of establishing portfolio management rules consistent with each approach
- Challenge of selecting approaches which are complimentary with each other

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Discipline Is Key

- Even the best stock selection strategies will go through periods where they underperform the market
- Having the discipline and perseverance to stay the course through these periods is essential to profiting from these strategies
- Majority of investors fail to beat market averages because they do not follow a disciplined approach

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The Stock Superstars Report

- Take the “best of the best” from AAII stock screens
- Approaches that have performed well over the long-term and various market environments
- Differing investment styles that perform better at different points in the market cycle
- Quantitative (rules-based) buy and sell decisions
- Combine into a diversified portfolio
  - Style diversification
  - Sector/industry diversification
  - Size diversification

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AAII Stock Screen Performance History (1998 - August 2024)

Strategy	Avg Annual Price Gain/(Loss) (%) 1 Yr	3 Yr	5 Yr	10 Yr	20 Yr	25 Yr	Since Incep	Risk Adj Return (%)	Price Bull Mkt 4/2020-12/2021	Price Bear Mkt 1/2022-9/2022	Max Draw-down	Monthly Variability Largest Gain	Monthly Variability Largest Loss	% of Pos Yrs	% Yrs Above S&P 500	Risk Index (X)	Passing	Std Dev (%)	r2 S&P 500	r2 S&P Mid	r2 S&P Small	r2 S&P 500 Grth	r2 S&P 500 Val	r2 S&P Mid Grth	r2 S&P Mid Val	r2 S&P Sma Grth	r2 S&P Sma Val
Buffett: Hagstrom	20.4	5.6	16.8	11.4	12.3	12.8	13.0	12.6	113.4	(23.6)	(42.3)	16.0	-19.0	85	74	1.13	30	17.4	88	89	84	84	84	88	86	84	81
Buffettology: EPS Growth	28.4	7.0	19.3	12.5	12.1	12.3	10.9	10.5	113.2	(27.4)	(48.9)	16.0	-20.8	85	74	1.26	33	19.5	86	91	88	81	83	89	88	88	85
Buffettology: Sustainable Growth	24.6	7.9	24.8	15.6	13.7	13.5	12.5	11.7	131.2	(22.8)	(43.6)	17.7	-20.4	85	67	1.31	21	20.3	84	89	86	79	82	86	86	86	84
Dreman	6.1	(6.3)	(1.3)	0.9	4.6	7.4	6.7	6.1	71.7	(31.1)	(59.1)	23.9	-31.4	63	52	1.28	18	19.9	71	80	76	59	80	72	84	72	76
Dreman With Est Revisions	15.2	8.9	13.6	11.3	14.1	14.9	14.1	12.5	121.5	(23.8)	(46.3)	30.9	-34.0	89	70	1.47	7	22.7	67	74	70	58	72	68	76	67	69
Driehaus	48.9	4.2	9.0	11.1	14.9	10.7	11.3	10.0	80.6	(23.1)	(73.6)	51.3	-34.3	63	56	2.26	8	34.9	53	59	65	53	47	63	52	68	59
Driehaus Revised	24.8	12.2	14.2	9.9	17.5	18.2	17.2	12.6	156.3	(17.7)	(57.5)	85.8	-54.9	70	63	2.25	9	34.8	45	55	60	42	43	57	50	61	54
Fisher (Philip)	(9.6)	(10.7)	2.7	5.3	3.6	4.9	5.3	1.1	30.8	(3.4)	(59.9)	32.8	-27.9	48	33	2.13	9	33.0	62	64	61	59	60	64	61	62	60
Graham—Defensive Inv (Non-Util)	5.2	2.5	10.4	4.0	11.0	12.5	12.2	11.3	89.6	(22.7)	(52.1)	25.8	-18.3	81	63	1.36	17	21.0	71	81	82	61	76	75	83	78	84
Graham—Defensive Inv (Util)	10.2	0.9	2.5	3.3	5.6	6.0	5.9	5.8	16.0	(5.8)	(32.3)	14.0	-13.7	74	48	1.04	8	16.0	48	51	45	36	57	44	56	42	47
Graham—Enterprising Inv Rev	8.8	21.6	32.7	13.5	19.5	19.4	19.1	14.8	176.7	(1.6)	(60.2)	36.4	-22.4	74	67	1.75	3	27.2	54	60	62	43	61	53	65	58	64
Kirkpatrick Bargain	14.7	4.4	10.1	2.8	9.0	7.7	5.8	4.5	114.4	(22.1)	(53.0)	28.7	-29.7	67	48	1.41	16	21.8	62	70	69	54	65	66	70	68	67
Kirkpatrick Growth	18.5	5.8	17.3	9.0	13.0	13.2	12.6	10.9	130.1	(7.4)	(58.2)	64.1	-23.1	59	56	1.90	10	29.5	47	56	58	48	41	62	46	61	53
Kirkpatrick Value	35.0	18.6	31.2	10.6	12.0	12.2	10.0	9.5	225.7	(13.7)	(63.6)	49.0	-25.3	63	56	2.08	2	32.3	37	43	44	29	41	39	45	40	46
Lynch	18.2	14.5	7.2	2.6	6.1	8.8	8.2	8.0	59.9	(2.7)	(53.5)	18.9	-28.1	74	48	1.25	20	19.3	66	72	70	58	69	67	73	67	68
Muhlenkamp	19.7	7.1	26.4	12.8	(0.0)	4.1	3.0	(0.8)	207.9	(15.7)	(84.2)	30.5	-27.7	67	56	1.62	9	25.1	59	66	69	50	64	61	69	66	70
Neff	16.2	3.7	7.7	4.5	8.2	13.7	13.6	11.8	101.6	(29.1)	(61.0)	32.6	-31.3	74	59	1.63	13	25.2	76	83	82	66	80	77	85	79	82
O'Neil's CAN SLIM	21.8	6.0	21.2	9.5	14.1	19.1	18.3	14.3	141.6	(13.8)	(39.1)	69.6	-23.1	70	67	1.76	3	27.2	29	34	37	28	28	34	33	37	37
O'Neil's CAN SLIM No Float	50.2	2.5	11.3	9.7	8.9	13.2	12.5	11.6	93.9	(23.7)	(64.2)	23.5	-35.5	85	56	1.34	10	20.8	64	68	67	62	58	70	62	70	62
O'Neil's CAN SLIM Rev 3rd Ed	2.1	(19.6)	(4.3)	10.6	10.1	15.2	14.4	11.9	81.6	(43.6)	(57.6)	52.7	-26.7	67	52	1.90	7	29.4	43	49	50	46	34	54	41	53	46
O'Shaughnessy: All Cap	17.3	(3.8)	8.0	4.5	7.6	9.6	9.9	9.5	147.4	(30.0)	(55.6)	24.0	-32.0	70	44	1.59	17	24.7	72	80	80	60	78	72	85	75	82
O'Shaughnessy: Growth II	35.9	18.1	30.2	15.6	14.3	16.6	15.4	13.0	235.4	(3.7)	(57.2)	45.0	-28.5	85	63	1.60	50	24.8	68	79	82	61	69	77	77	81	80
O'Shaughnessy: Grth Mkt Leaders	27.1	12.0	13.1	10.6	9.3	7.7	8.0	7.8	62.4	(5.0)	(52.7)	20.7	-18.6	78	48	1.21	10	18.7	77	79	74	70	77	78	77	73	74
O'Shaughnessy: SmCp Grth & Val	13.7	4.7	28.7	16.7	16.1	17.7	17.5	13.6	421.2	(20.9)	(55.0)	77.9	-30.2	78	67	1.84	23	28.6	55	66	70	48	57	63	65	68	69
O'Shaughnessy: Tiny Titans	24.1	22.3	39.0	20.3	16.5	23.2	23.9	16.8	279.6	(1.9)	(67.5)	37.4	-35.9	81	78	1.91	25	29.6	62	69	73	57	61	68	67	72	71
O'Shaughnessy: Value	19.1	3.5	9.1	3.4	3.7	4.9	5.1	3.9	83.7	(18.3)	(69.5)	22.0	-23.8	70	41	1.28	50	19.9	83	82	76	68	91	73	87	72	78
Piotroski: High F-Score	14.3	(4.8)	2.4	(9.0)	7.7	13.5	13.4	11.1	165.3	(28.8)	(84.8)	43.1	-42.0	70	48	2.06	12	31.9	51	58	59	44	55	53	60	55	59
Rule #1 Investing	30.4	(2.2)	(2.3)	(4.5)	4.9	5.9	5.8	2.2	78.3	(54.4)	(72.3)	44.3	-54.2	67	41	2.14	7	33.1	66	68	65	62	65	65	67	64	62
Schloss	9.0	(0.2)	(4.1)	(4.6)	(0.8)	2.4	3.9	(1.5)	2.6	(38.9)	(77.1)	31.9	-40.4	56	30	2.04	10	31.6	47	49	51	44	46	45	50	48	51
T. Rowe Price	(35.3)	(33.4)	(16.0)	(3.7)	3.5	5.0	6.1	3.6	142.9	(51.8)	(74.4)	33.5	-32.6	63	44	1.89	7	29.3	48	52	50	46	46	50	50	50	46
Templeton	26.2	15.9	10.4	7.2	9.5	9.2	9.0	9.0	76.5	(17.1)	(45.5)	21.3	-37.6	78	56	1.45	10	22.4	71	77	73	66	71	74	76	71	69
Wanger (Revised)	20.5	6.4	9.9	5.8	8.9	9.0	7.6	7.0	45.0	(13.0)	(51.3)	22.8	-19.8	63	63	1.44	18	22.4	75	82	82	70	73	80	80	82	81
Weiss Blue Chip Div Yield	11.5	7.3	10.0	6.7	8.7	9.9	9.1	9.1	49.8	(11.7)	(43.4)	16.0	-16.9	81	59	1.29	4	20.0	72	76	73	63	75	70	78	70	73
Zweig	(19.1)	(2.8)	2.5	(0.0)	3.1	10.0	12.5	11.0	47.2	(14.1)	(57.0)	32.7	-24.2	70	56	1.77	4	27.5	57	63	58	51	58	61	61	57	59

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Meet the Stock Superstars

- William O'Neil
  - Fundamental & technical approach for identifying promising growth stocks
- David Dreman
  - Value investing with an earnings revision & surprise twist
- James O'Shaughnessy
  - Factor-based approach for value, financial strength & earning quality
- John Neff
  - A contrarian "total return" approach

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Featured Stock Superstar: William O'Neil

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William O'Neil's Story

- Started his career as a stockbroker in 1958
- In 1963, O'Neil bought a seat on the NYSE (the youngest at the time ever to do so) and founded William O'Neil Co.
  - The company developed the first computerized daily securities database
- In 1972, Daily Graphs was created by O'Neil as a printed book of stock charts delivered weekly to subscribers (now called MarketSmith)
- Pioneered the use of historical precedent to analyze equities in tandem with fundamental and technical analysis
- O'Neil identified seven basic factors that occurred over and over again and in 1971, he summarized, adapted, and published his findings as "The Model Book of Greatest Stock Market Winners"
  - The approach eventually became known as CAN SLIM
- Realizing the need to deliver his time-sensitive information ahead of the competition, in 1973 O'Neil founded O'Neil Data Systems, a high-speed printing facility that pioneered the field of database publishing using state-of-the-art computer technology
- In 1984, O'Neil designed and launched Investor's Daily (later renamed Investor's Business Daily)
- Author of the book "How to Make Money in Stocks: A Winning System in Good Times or Bad," which is in its fourth edition

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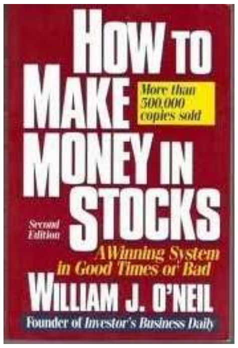
O’Neil Approach: CAN SLIM



- William O’Neil developed his growth stock approach through study of company characteristics prior to their big stock price increase
- Approach presented in Second Edition of “How to Make Money in Stocks: A Winning System in Good Times or Bad”

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- **C: Current quarterly EPS**
  - Strong and improving quarterly EPS performance
- **A: Annual EPS**
  - Increase in EPS for each of the last five years
  - Strong annual growth rate of 25% or greater over the last five years
- **N: New company, product/service, industry trend or management**
  - Catalyst to start a strong price advance
  - New product or service, management team, technology
  - Stocks reaching new high after consolidation period

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- **S: Supply & demand**
  - Firms with a smaller number of shares outstanding should increase more quickly
- **L: Leader or laggard**
  - Look for market leaders in rapidly expanding industries
  - Use relative strength to identify market leaders
- **I: Institutional sponsorship**
  - Buy stocks being heavily bought by institutional investors & avoid those they're heavily selling
  - Institutional investors are primarily mutual funds, but also hedge funds, banks, pension funds, insurance companies and other large institutions
  - "Ride their coattails"

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- Only buy stocks in a market uptrend & take defensive action as a downturn begins
- **M: Market Direction**
  - The "M" in CAN SLIM stands for market direction
    - Stay in sync with the direction of the overall market—Nasdaq composite, S&P 500 index, etc.

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When to Sell

- O'Neil believes that the stock price will reflect changes in fundamentals long before a company reports them
- When buying a stock, focus on both fundamentals and the chart action
- Decelerating YoY EPS growth over multiple quarters is O'Neil's primary fundamental sell rule

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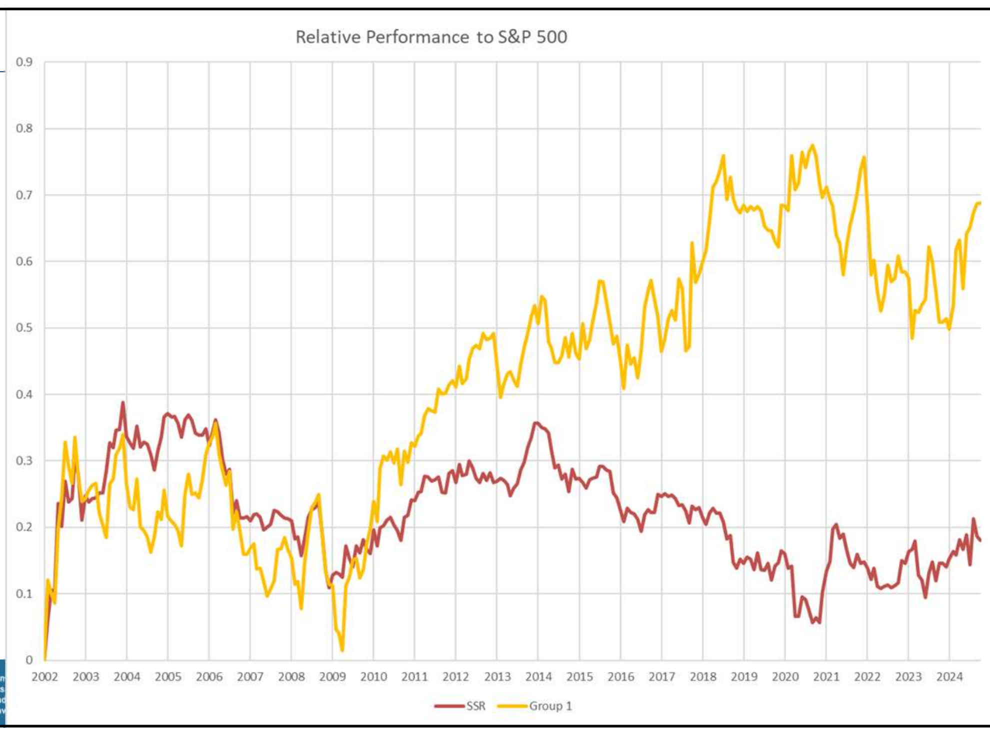

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O'Neil Analysis

Company	Ticker	Portfolio Addition Date	Portfolio Addition Price	Current Price	Price as % of 52-Week High	% Rank-Rel Strength 52-Week	Relative Strength From High	EPS Cont-Growth YoY Q1	EPS Cont-Growth YoY Q2	EPS Cont-Growth 5Y	EPS Increases 7yrs	Sector: Industry
ADMA Biologics Inc	ADMA	08/2024	$18.19	$19.46	95.5%	99%	0.97	533.3	351.6	38.3	6	Health Care: Biotechnology
Hawkins Inc	**HWKN**	**01/2024**	**$66.55**	**$129.79**	**101.3%**	**94%**	**1.03**	**23.2**	**20.5**	**25.8**	**6**	**Materials: Chemicals**
Tradeweb Markets Inc	TW	12/2023	$91.41	$126.34	100.5%	84%	1.03	31.0	40.5	NMF	5	Financials: Capital Markets
Fair Isaac Corp	FICO	10/2023	$856.06	$1,921.45	97.9%	95%	0.99	(0.6)	29.0	33.1	5	Information Technology: Software
Deckers Outdoor Corp	DECK	09/2023	$86.11	$157.27	85.2%	91%	0.80	87.3	43.0	27.0	6	Consumer Discretionary: Textiles, Apparel & Luxury Goods
UFP Technologies Inc	UFPT	10/2022	$94.00	$309.50	84.5%	92%	0.86	12.9	29.1	24.7	5	Health Care: Health Care Equipment & Supplies
Microsoft Corp	MSFT	05/2020	$173.65	$418.36	89.3%	72%	0.87	9.7	20.0	18.5	6	Information Technology: Software
O'Reilly Automotive Inc	ORLY	01/2019	$342.64	$1,161.00	99.3%	68%	0.91	3.2	11.1	19.0	6	Consumer Discretionary: Specialty Retail

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Group 1 O'Neil: Hawkins Inc (HWKN) $122.49 ($127.35 - $53.64)

Sector: Basic Materials **Industry: Chemicals - Diversified** Market Cap (Million): $2,553.2 Risk Index: 2.09

Bullish Factors:

- Strong year-over-year quarterly earnings growth
- Strengthening balance sheet; much stronger than industry norms
- Strong track record of accretive acquisitions

Bearish Factors:

- Weak year-over-year quarterly revenue growth
- Susceptible to substantial pricing pressure from competitors

Investment Thesis:

Revenue for Hawkins has grown at an average annual rate of 10.6% over the past five years and 15.5% over the last three years. Over the trailing 12 months, revenues declined 1.7%. Revenues have increased annually in three out of the last five years.

Earnings have grown at an average annual rate of 44.5% over the past five years and 23.0% over the past three years. Earnings grew 26.9% over the trailing 12 months and have risen annually for the past five fiscal years.

Analysts expect adjusted, non-GAAP earnings for the quarter ending in September 2024 to increase 5.9% year over year. The LSEG I/B/E/S consensus estimate for the fiscal year ending March 2025 is for earnings of $4.141 per share and $4.316 per share the year after. Analysts expect adjusted earnings to grow by 49.2% in 2025 and 4.2% in 2026.

On July 31, 2024, Hawkins reported quarterly earnings of $1.39 per share, which beat the LSEG I/B/E/S consensus estimate of $1.009 per share by 37.8%.

Shares are trading 3.3% below their 52-week high reached on August 30, 2024. Over the last year, Hawkins' shares gained 94%, outperforming the S&P 500 index by 59.06 percentage points. This ranks in the 94th percentile among all U.S.-listed stocks. Over the last four weeks, shares have risen 5%, ranking in the 56th percentile among all stocks.

Company Description:

Hawkins Inc. is a specialty chemical and ingredients company that formulates, distributes, blends and manufactures products for its customers. The company operates through three segments: industrial, water treatment and health and nutrition. Its industrial segment specializes in providing industrial chemicals, products and services to industries such as agriculture, chemical processing, electronics, energy, food, pharmaceutical and plating. The water treatment segment specializes in providing chemicals, equipment and solutions for potable water, municipal and industrial wastewater, industrial process water, nonresidential swimming pool water and agricultural water. The health and nutrition segment specializes in providing ingredient distribution, processing and formulation solutions to manufacturers of nutraceutical, functional food and beverage, personal care, dietary supplement and other nutritional food, health and wellness products.

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A+ Stock Grade Summary

	Current	Industry Median
Value	D	C
Growth	B	D
Momentum	A	D
EPS Revisions	B	D
Quality	A	B

	Stock Gain	Relative Str Rank	Relative Str Index S&P 500	Relative Str Index Industry
4 Week	5%	56%	(1.55)	0.99
13 Week	44%	95%	38.12	1.53
26 Week	75%	96%	60.90	1.89
52 Week	94%	94%	59.06	2.61
Weighted 4Qs	–	–	18.34	–

Growth	TTM	3 Year	5 Year	Industry 5 Year
Sales	(1.7%)	15.5%	10.6%	(1.9%)
Net Income	26.7%	22.5%	25.3%	(16.4%)
EPS Dil Cont	26.9%	23.0%	44.5%	(7.6%)
Dividends	10.3%	10.2%	30.0%	5.7%
Operating Cash	16.9%	53.9%	27.2%	6.8%

Est Surprise	EPS	$ Surp	% Surp	SUE Score
Jul 31, 2024	$1.39	$0.38	37.8%	7.9
May 15, 2024	$0.66	$-0.02	(3.2%)	0.0

EPS Estimates	Quarterly 09/2024	Quarterly 12/2024	Annual 03/2025	Annual 03/2026
Year/Year Chg	5.9%	(31.6%)	49.2%	4.2%
Current Est.	$1.169	$0.763	$4.141	$4.316
Month Ago	$1.169	$0.763	$4.141	$4.316
Three Mos. Ago	$1.062	$0.763	$3.832	$4.286
# of Estimates	2	2	2	2
# Revs Up	2	1	2	2
# Revs Down	0	1	0	0

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Hawkins, Inc. (Nasdaq: HWKN) $126.750 ($128.110-$53.640)

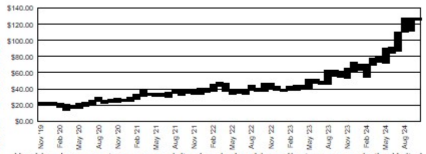
Web	www.hawkinsinc.com
Sector	Materials
Industry	Chemicals

S&P Index	SmallCap 600	Shrs Outst'g (M)	20.8
Market Cap ($M)	2,649.6	Float (M)	19.0
Employees		Daily Vol (K)	153.0
Beta	0.72	Insd'r Hlds %	3.9
		Inst Hlds %	69.9
EPS TTM ($)	3.85	EPS Est NA ($)	NA
P/E TTM	32.9	P/E Est EPS	NA
PEG	1.3	PEG Est EPS & Grth	4.7
5yr EPS Grth (%)	25.8	Est EPS Grth (%)	7.0
Yield (%)	0.6	Ind Dividend ($)	0.72
Split Date	03/02/2021	Next Qtrly Dividend ($)	0.18
Split Factor	2.0000	Ex. Dividend Date	8/16/24
		Dividend Pmt. Date	8/30/24

	Price Chg	Rel Strgth vs S&P	Rel Strgth Rank
4 Week (%)	3	0	58
13 Week (%)	42	37	93
26 Week (%)	70	55	95
52 Week (%)	115	61	94

Growth (%)	TTM	3 Year	5 Year
Sales	(1.7)	15.5	10.6
Gross Income	21.1	16.1	15.1
Net Income	26.8	22.5	25.3
EPS Basic	26.7	22.8	25.8
EPS Diluted	26.5	23.0	25.8
EPS Diluted Cont	26.5	23.0	25.8
Dividends	10.3	10.2	13.1
Cash Flow	50.0	30.7	(16.0)
Free Cash Flow	378.4	101.7	35.9

EPS Surprise	Reported EPS	% Surprise	SUE Score
07/31/2024	$1.44	50.00%	NA
02/03/2015	$0.15	(17.60)%	NA



Hawkins, Inc. operates as a specialty chemical and ingredients company in the United States. It operates through three segments: Industrial, Water Treatment, and Health and Nutrition. The Industrial segment offers industrial chemicals, products, and services to agriculture, chemical processing, electronics, energy, food, pharmaceutical, and plating industries. This segment manufactures sodium hypochlorite and agricultural products, as well as various food-grade and pharmaceutical products, such as liquid phosphates, lactates, other blended products, and agricultural products; and receives, stores, and distributes various chemicals comprising liquid caustic soda, sulfuric acid, hydrochloric acid, urea, phosphoric acid, aqua ammonia, and potassium hydroxide. It also repackages water treatment chemicals and bulk industrial chemicals; and performs custom blending of chemicals. The Water Treatment segment provides chemicals, products, equipment, services, and solutions for potable water, municipal and industrial wastewater, industrial process water, non-residential swimming pool water, and agriculture water. The Health and Nutrition segment offers ingredient distribution, processing, an

Financial Statements	Current	3/2024	4/2023	4/2022	3/2021	3/2020
Sales ($M)	923.9	919.2	935.1	774.5	596.9	540.2
Gross Income ($M)	206.3	193.6	165.1	146.5	123.8	100.9
Research/Dev ($M)	NA	NA	NA	NA	NA	NA
Unusual/Extra ($M)	NA	NA	NA	NA	NA	NA
Operating Income ($M)	111.3	104.0	88.2	71.2	55.9	41.7
Interest Expense ($M)	4.4	4.3	5.2	1.4	1.5	2.5
Pretax Income ($M)	108.2	101.1	82.6	70.0	55.9	39.0
Net Income ($M)	80.8	75.4	60.0	51.5	41.0	28.4
Operat'g Cash Flw ($M)	142.2	159.5	77.4	42.8	43.8	58.9
Cap Expenditures ($M)	42.9	40.2	48.3	28.5	20.8	24.5
EPS Basic ($)	3.88	3.61	2.88	2.46	1.95	1.34
EPS Diluted ($)	3.85	3.59	2.86	2.44	1.93	1.33
EPS Diluted Cont ($)	3.85	3.59	2.86	2.44	1.93	1.33
Dividends/Share ($)	0.64	0.63	0.57	0.52	0.47	0.46
Cash Flow/Share ($)	0.09	(0.02)	0.20	0.02	(0.06)	(0.23)
Free Cash Flow/Share ($)	4.12	5.09	0.82	0.16	0.62	1.16

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Group 1: O'Neil Portfolio

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Data as of 10/1/2024. Delayed up to 15 mins.

Company	Ticker	Sector: Industry	Watchlist Alert		Current Price	Price as % of 52 Week High	% Rank-Rel Strength 52 week	Relative Strength From High	EPS Cont-Growth			EPS Increases 7yrs
			Date	Price					YoY Q1	YoY Q2	5Y	
Descartes Systems Group Inc (USA)	DSGX	Information Technology: Software	10/01/2024	$101.940	$102.436	97.4%	76%	na	25	17.6	27.4	6
Stride Inc	LRN	Consumer Discretionary: Diversified Consumer Services	10/01/2024	$83.850	$85.490	98.7%	91%	na	40.3	23.1	38.8	5
Vector Group Ltd	VGR	Consumer Staples: Tobacco	10/01/2024	$14.910	$14.930	96.1%	76%	na	41.7	0	27.2	3
Euroseas Ltd	ESEA	Industrials: Marine Transportation	09/12/2024	$43.960	$49.790	100.0%	91%	na	40.7	(30)	68.8	5
United States Lime & Minerals Inc	USLM	Materials: Construction Materials	09/12/2024	$81.860	$94.520	96.6%	95%	na	31.9	30.7	30.1	5
InterDigital Inc	IDCC	Information Technology: Software	08/22/2024	$134.310	$143.489	99.7%	90%	na	397.5	(19.6)	32.9	4
Green Brick Partners Inc	GRBK	Consumer Discretionary: Household Durables	08/20/2024	$72.920	$82.205	97.6%	93%	na	42.3	32.8	43.2	6
ADMA Biologics Inc	ADMA	Health Care: Biotechnology	08/13/2024	$17.270	$19.460	95.5%	99%	na	533.3	351.6	38.3	6
Hawkins Inc	HWKN	Materials: Chemicals	08/08/2024	$118.330	$129.790	101.3%	94%	na	23.2	20.5	25.8	6
MercadoLibre Inc	MELI	Consumer Discretionary: Broadline Retail	07/26/2024	$1,651.690	$1,980.583	91.6%	86%	na	102.9	71.1	91.4	4

Definitions | Download Excel | Printer Friendly

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Featured Stock Superstar: David Dreman

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David Dreman

- Founder and chairman of Dreman Value Management LLC
- Was at the forefront of research that has come to be known as behavioral finance
- Author of five books on contrarian investing and behavioral finance, including “Contrarian Investment Strategies: The Psychological Edge” and “Psychology and the Stock Market”
- Senior columnist for Forbes and author of “The Contrarian” column for over 30 years

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Dreman's Contrarian Value Investment Approach

- Try to identify investment opportunities that are not necessarily recognized by the majority of other investors
  - Go against the crowd by seeking out-of-favor stocks and avoid high-flying "fashionable" stocks
- Look for financially solid companies that may be temporarily out of favor with the market
- Seek stocks that are priced low relative to their earnings, sales, cash flows or dividends

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Dreman's Contrarian Value Investment Selection Process

- Screen mid- and large-cap stock universe
  - These firms are more in the public eye
    - Less chance of "accounting gimmickry"
  - These firms have more staying power and are less likely to go out of business than smaller companies or start-ups
- Screen value universe
  - Low P/E by industry
  - Above-market dividend yield
  - Visible earnings
- Conduct fundamental research
  - Financial strength & value metrics
    - High ratios of current assets relative to current liabilities; low debt as a percentage of equity; and low payout ratios
    - Favorable operating conditions, such as high returns on equity and high pretax profit margins relative to others in the industry.
  - Proven record of earnings growth that is also sustainable
- Portfolio construction & management
  - Diversify across numerous industry groups

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Sell Discipline

- P/E rises above that of the market
- Multiples exceed that of its sector or industry
- Deterioration in fundamental outlook
- “Extremely poor” price performance
- Mergers or acquisitions
- Market cap moves out of a distinct range

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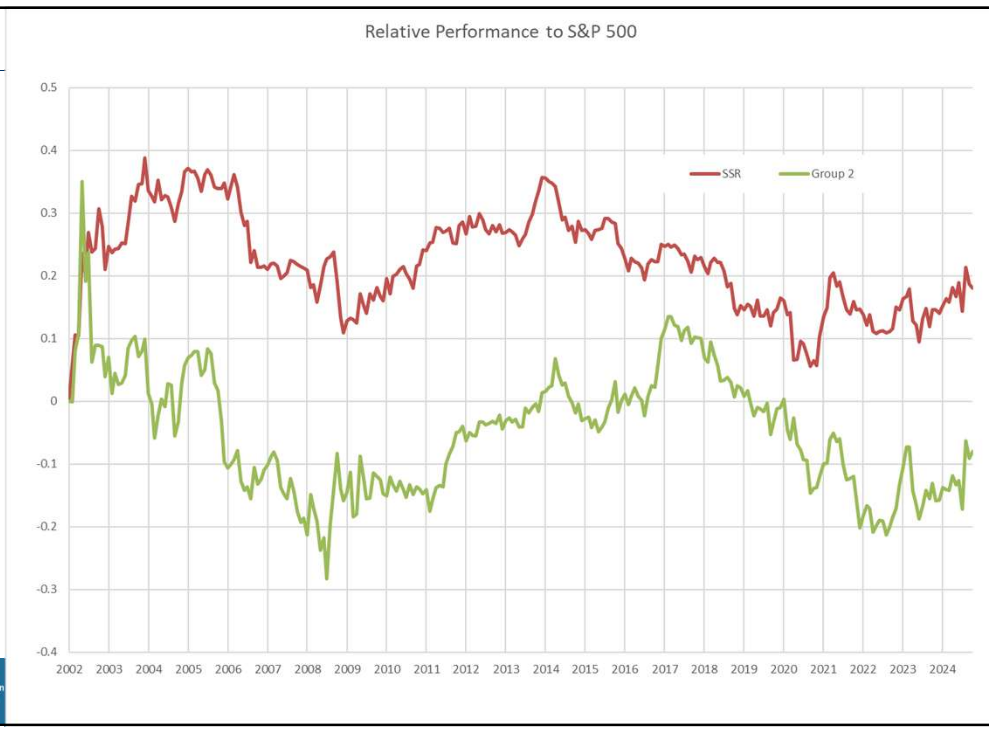

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Group 2: Dreman Portfolio

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Portfolio Holdings | Portfolio Analysis | Portfolio Watchlist | Portfolio News

Data as of 10/1/2024. Delayed up to 15 mins.

Company	Ticker	Sector: Industry	Portfolio Addition		Current Price	Market Cap (Mil)	% Rank- Market Cap	PE	% Rank- PE	EPS Est % Rev- Last Month		Liabilities / Assets Q1	
			Date	Price						Y0	Y1	Company	Industry
Terex Corp	TEX	Industrials: Machinery	06/05/2024	$57.520	$51.750	$3,462.7	66%	7.1	12%	(18.1%)	(16.7%)	51.7%	52.5%
CNO Financial Group Inc	CNO	Financials: Insurance	06/01/2020	$14.350	$34.660	$3,634.1	66%	8.9	18%	0.0%	0.0%	93.3%	79.8%
Signet Jewelers Ltd	SIG	Consumer Discretionary: Specialty Retail	08/08/2024	$74.240	$93.140	$4,183.8	68%	9.4	20%	0.6%	(2.0%)	61.9%	67.6%
Molson Coors Beverage Co	TAP	Consumer Staples: Beverages	03/04/2024	$62.370	$56.620	$11,884.4	83%	10.5	24%	(0.1%)	(0.3%)	51.0%	55.0%
JPMorgan Chase & Co	JPM	Financials: Banks	03/04/2015	$66.720	$207.550	$589,062.9	100%	11.6	29%	(0.1%)	(1.3%)	91.8%	90.5%
Mdu Resources Group Inc	MDU	Industrials: Construction & Engineering	07/01/2020	$15.220	$27.260	$5,525.4	72%	13.5	35%	(3.1%)	0.0%	62.1%	64.2%
Ingredion Inc	INGR	Consumer Staples: Food Products	08/03/2023	$110.960	$135.540	$8,850.3	79%	13.9	36%	0.0%	0.0%	48.4%	55.3%
Owens Corning	OC	Industrials: Building Products	05/30/2023	$109.850	$174.455	$15,176.0	85%	14.8	39%	(0.2%)	(0.3%)	63.1%	52.4%
Amdocs Ltd	DOX	Information Technology: IT Services	11/19/2020	$63.330	$88.070	$9,978.0	80%	20.1	52%	0.0%	0.0%	44.5%	55.8%
Primerica, Inc.	PRI	Financials: Insurance	01/10/2024	$211.190	$267.700	$8,988.3	79%	21.1	54%	0.4%	0.4%	85.4%	79.8%

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Group 2 Dreman: Ingredion Inc (INGR) — $134.63 ($135.14 - $89.54)

Sector: Consumer Non-Cyclicals | **Industry: Food Processing** | Market Cap (Million): $8,737.8 | Risk Index: 1.08

Bullish Factors:

- Benefiting from growth in specialty ingredients, which carry some pricing power and higher margins
- Positioned to benefit from increased demand for alternative meat and reduced-sugar products

Bearish Factors:

- Slowdown in demand for paper and corrugated boxes negatively impacts industrial starches sales
- Profitability somewhat tied to prices for corn and other starch raw materials
- Plant protein ingredients are commodities with lower profit margins, which will impact company margins

Investment Thesis:

Ingredion has a market capitalization of $8.7 billion, which ranks in the 85th percentile among all U.S.-listed stocks. It is a component of the S&P MidCap 400 index.

Its trailing price-earnings (P/E) ratio is 13.8 based on trailing earnings of $9.77 per share. This ranks in the 35th percentile of all U.S.-listed stocks. One year ago, the price-earnings ratio was 11.5. The trailing price-earnings ratio is below the food processing industry median of 22.2.

Revenues for the trailing 12 months totaled $7.7 billion. Revenues grew, on average, 5.3% per year over the past five years and 10.9% per year over the past three years. Over the trailing 12 months, revenues declined 6.1%. Fully diluted earnings from continuing operations grew by an average of 9.1% per year over the past five years and 23.1% per year over the past three years. Over the trailing 12 months, earnings climbed 14.0%.

On August 6, 2024, Ingredion reported quarterly earnings of $2.87 per share, which beat the LSEG I/B/E/S consensus estimate of $2.490 per share by 15.3%. For the fiscal year ending December 2024, seven analysts are providing a mean estimate of $9.973 per share; for 2025, the mean estimate from seven analysts is $10.608 per share. Analysts expect earnings to grow 33.2% in 2024 and 6.4% in 2025. Based on the 2024 consensus earnings estimate, the company's forward price-earnings ratio is 13.5.

Ingredion has a ratio of total liabilities to total assets of 48.7%, below the industry median of 61.8%.

Ingredion has an indicated annual dividend of $3.20 per share, which translates to a forward yield of 2.4%. The dividend has grown by an average of 3.7% per year over the past five years.

Over the last year, Ingredion's shares rose 31%, outperforming the S&P 500 index by 7.38 percentage points. This ranks in the 79th percentile among all U.S.-listed companies. Over the last four weeks, shares have gained 7%, outperforming 64% of all U.S.-listed companies.

Company Description:

Ingredion Inc. is a global ingredients solutions provider that transforms corn, tapioca,

A+ Stock Grade Summary

	Current	Industry Median
Value	B	C
Growth	B	C
Momentum	B	C
EPS Revisions	C	C
Quality	A	B

	Stock Gain	Relative Str Rank	Relative Str Index S&P 500	Relative Str Index Industry
4 Week	7%	64%	0.27	1.02
13 Week	17%	81%	12.27	1.17
26 Week	15%	75%	6.09	1.12
52 Week	31%	79%	7.38	1.40
Weighted 4Qs	--	--	4.48	--

Growth	TTM	3 Year	5 Year	Industry 5 Year
Sales	(6.1%)	10.9%	5.3%	6.3%
Net Income	13.8%	22.7%	7.7%	(4.7%)
EPS Dil Cont	14.0%	23.1%	9.1%	8.4%
Dividends	9.7%	4.8%	3.7%	3.8%
Operating Cash	198.6%	8.4%	8.5%	(15.1%)

Est Surprise	EPS	$ Surp	% Surp	SUE Score
Aug 6, 2024	$2.87	$0.38	15.3%	8.0
May 8, 2024	$2.08	$0.02	1.0%	0.5

EPS Estimates	Quarterly 09/2024	Quarterly 12/2024	Annual 12/2024	Annual 12/2025
Year/Year Chg	3.7%	2.4%	33.2%	6.4%
Current Est.	$2.580	$2.481	$9.973	$10.608
Month Ago	$2.607	$2.481	$9.940	$10.455
Three Mos. Ago	$2.665	$2.481	$10.007	$10.600
# of Estimates	6	6	7	7
# Revs Up	2	3	6	6
# Revs Down	3	1	0	0

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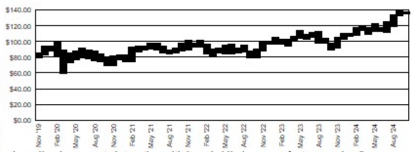
Ingredion Incorporated (New York: INGR) $136.030 ($138.370-$89.540)

Web	www.ingredion.com
Sector	Consumer Staples
Industry	Food Products

S&P Index	MidCap 400	Shrs Outst'g (M)	65.7
Market Cap ($M)	8,850.3	Float (M)	64.6
Employees	11	Daily Vol (K)	432.0
Beta	0.72	Insd'r Hlds %	0.4
		Inst Hlds %	90.5
EPS TTM ($)	9.79	EPS Est 2024 ($)	9.97
P/E TTM	13.9	P/E Est EPS	13.6
PEG	1.5	PEG Est EPS & Grth	1.3
5yr EPS Grth (%)	9.2	Est EPS Grth (%)	11.0
Yield (%)	2.3	Ind Dividend ($)	3.12
Split Date	01/26/2005	Next Qtrly Dividend ($)	0.80
Split Factor	2.0000	Ex. Dividend Date	10/01/24
		Dividend Pmt. Date	10/22/24



Ingredion Incorporated, together with its subsidiaries, manufactures and sells sweeteners, starches, nutrition ingredients, and biomaterial solutions derived from wet milling and processing corn, and other starch-based materials to a range of industries in North America, South America, the Asia Pacific, Europe, the Middle East, and Africa. The company offers starch products for use in a range of processed foods; cornstarch; specialty paper starches for enhanced drainage, fiber retention, oil and grease resistance, improved printability, and biochemical oxygen demand control; starches and specialty starches for textile industry; industrial starches are used in the production of construction materials, textiles, adhesives, pharmaceuticals, and cosmetics, as well as in mining and water filtration; and specialty industrial starches for use in biomaterial applications, including biodegradable plastics, fabric softeners and detergents, hair and skin care applications, dusting powders for surgical gloves, and in the production of glass fiber and insulation. It also provides sweetener products comprising glucose syrups, high maltose syrup, high fructose corn syrup, dextrose, polyols, malto

	Price Chg	Rel Strgth vs S&P	Rel Strgth Rank
4 Week (%)	1	(2)	47
13 Week (%)	20	16	79
26 Week (%)	16	6	72
52 Week (%)	38	3	75

Growth (%)	TTM	3 Year	5 Year
Sales	(6.1)	10.9	5.3
Gross Income	1.9	11.2	5.0
Net Income	13.8	22.7	7.7
EPS Basic	14.3	23.4	9.3
EPS Diluted	14.2	23.1	9.2
EPS Diluted Cont	14.2	23.1	9.2
Dividends	9.9	5.5	4.0
Cash Flow	509.8	(25.2)	21.6
Free Cash Flow	428.4	20.4	26.7

EPS Surprise	Reported EPS	% Surprise	SUE Score
08/06/2024	$2.87	15.30%	7.8
05/08/2024	$2.08	1.10%	0.5

Earnings Estimates	Quarterly 9/2024	Quarterly 12/2024	Annual 12/2024	Annual 12/2025
Average	2.58	2.48	9.97	10.61
High Est.	2.69	2.53	10.17	11.17
Low Est.	2.50	2.45	9.77	9.99
Std. Dev.	0.08	0.03	0.13	0.34
# of Est.	5	5	6	6
Month Ago	2.58	2.48	9.97	10.61
Rev Up	0	0	0	0

Financial Statements	Current	12/2023	12/2022	12/2021	12/2020	12/2019
Sales ($M)	7,714.0	8,160.0	7,946.0	6,894.0	5,987.0	6,209.0
Gross Income ($M)	1,684.0	1,749.0	1,494.0	1,331.0	1,272.0	1,312.0
Research/Dev ($M)	63.0	63.0	52.0	43.0	43.0	44.0
Unusual/Extra ($M)	(45.0)	11.0	4.0	372.0	93.0	35.0
Operating Income ($M)	901.0	961.0	764.0	681.0	680.0	698.0
Interest Expense ($M)	81.0	114.0	99.0	74.0	81.0	81.0
Pretax Income ($M)	867.0	839.0	668.0	248.0	506.0	582.0
Net Income ($M)	653.0	643.0	492.0	117.0	348.0	413.0
Operat'g Cash Flw ($M)	1,299.0	1,057.0	152.0	392.0	829.0	680.0
Cap Expenditures ($M)	282.0	316.0	300.0	300.0	340.0	328.0
EPS Basic ($)	9.93	9.74	7.43	1.74	5.18	6.17
EPS Diluted ($)	9.79	9.60	7.34	1.73	5.15	6.13
EPS Diluted Cont ($)	9.79	9.60	7.34	1.73	5.15	6.13
Dividends/Share ($)	3.12	2.98	2.72	2.58	2.54	2.51
Cash Flow/Share ($)	3.77	2.50	(1.39)	(5.02)	5.97	(0.94)
Free Cash Flow/Share ($)	12.38	8.29	(4.97)	(1.37)	4.75	2.66
Cash & ST Inv ($M)	510.0	409.0	239.0	332.0	665.0	268.0
Goodwill/Intgble ($M)	1,275.0	1,303.0	1,301.0	1,348.0	1,346.0	1,238.0
Total Assets ($M)	7,221.0	7,642.0	7,561.0	6,999.0	6,858.0	6,040.0
Long Term Debt ($M)	1,741.0	1,897.0	2,086.0	1,892.0	1,884.0	1,886.0
Total Liabilities ($M)	3,492.0	4,047.0	4,347.0	3,810.0	3,816.0	3,299.0
Book Value/Share ($)	56.83	54.23	47.90	46.51	44.03	40.71
Avg Shares Outst'g (M)	65.7	66.0	66.2	67.1	67.2	66.9

Multiples	Current	12/2023	12/2022	12/2021	12/2020	12/2019
Price/Earnings	13.9	10.6	12.3	50.6	15.4	14.1

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Group 2: Dreman Portfolio

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Portfolio Holdings | Portfolio Analysis | Portfolio Watchlist | Portfolio News

Data as of 10/1/2024. Delayed up to 15 mins.

Company	Ticker	Sector: Industry	Watchlist Alert		Current Price	Market Cap (Mil)	% Rank-Market Cap	PE	% Rank-PE	EPS Est % Rev-Last Month		Liabilities / Assets Q1	
			Date	Price						Y0	Y1	Company	Industry
Everest Group Ltd	EG	Financials: Insurance	10/01/2024	$396.220	$396.665	$17,060.6	86%	5.9	9%	0.7%	0.2%	73.0%	79.8%
Chubb Ltd	CB	Financials: Insurance	10/01/2024	$292.120	$292.845	$117,997.3	98%	12.3	31%	0.1%	0.0%	72.9%	79.8%
Janus Henderson Group PLC	JHG	Financials: Capital Markets	10/01/2024	$37.740	$37.760	$6,010.6	73%	12.9	33%	0.5%	1.1%	24.8%	57.6%
Ingredion Inc	INGR	Consumer Staples: Food Products	08/08/2024	$126.760	$135.540	$8,850.3	79%	13.9	36%	0.0%	0.0%	48.4%	55.3%

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Featured Stock Superstar: James O’Shaughnessy

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James O’Shaughnessy

- Founder of O’Shaughnessy Asset Management (OSAM)
- Prior to founding OSAM, director of systematic equity at Bear Stearns Asset Management and a senior managing director of the firm
- Long recognized as one of America’s leading financial experts and a pioneer in quantitative equity analysis
- In February 2009, Forbes.com included Jim in a series on “Legendary Investors” along with Benjamin Graham, Warren Buffett and Peter Lynch
- Author of four books on investing, including “What Works on Wall Street”
- 2019 recipient of AAII’s Cloonan Award for Excellence in Investment Education

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Factor Investing

- O'Shaughnessy is a proponent of "factor investing"
  - Factors are characteristics of stocks that are most indicative of strong total and risk-adjusted returns
  - Calls his methodology "fundamental quant"
- Common investment factors
  - Value
  - Quality
  - Financial Strength
  - Momentum
  - Growth
  - Estimate Revisions

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Buy Cheap Stocks

- There is a wealth of academic research and real-world performance that shows value investing outperforms the overall market in the long term
- There are numerous metrics for measuring value, and some fall into and out of favor while others have become less effective over time
  - Initially, O'Shaughnessy found that the price-to-sales ratio was the best single factor for value investors
    - Admits that one of his biggest mistakes was ever labeling a single value factor "king"
  - Accounting rules and structural changes in the market have reduced the efficacy of book value and, thus, price to book
- However, he has since discovered that using multiple factors to build a value "composite" delivers higher, less volatile and more consistent returns

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Value Composite

- O'Shaughnessy put together a Value Composite Score using these factors
  - Price-to-sales ratio
  - Price-earnings ratio
  - Enterprise-value-to-EBITDA ratio
  - Price-to-free-cash-flow ratio
  - Shareholder yield (dividend yield + rate of share repurchases)
- Average the percentile rankings for each factor to arrive at score from 1 to 100
  - Lower the score the better
- AAII added price-to-book-value ratio to its Value Composite
- AAII's Value Composite takes the average of the percentile rankings for these six value factors and then re-ranks the average

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Quality Matters

- Some stocks are cheap for a reason
- O'Shaughnessy also found that factors can help investors avoid potential traps
  - Avoiding stocks with questionable quality can help you pick better stocks to own
- Created composite scores for earnings quality and financial strength
- Value identifies what to potentially own and "quality" filters out stocks to avoid

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Earnings Quality Composite

- O'Shaughnessy put together an Earnings Quality Composite Score using these factors:
  - Current accruals to total assets
  - Change in operating assets
  - Total accruals to total assets
  - Depreciation to capital expenditures
- To make things easier, O'Shaughnessy created a single field
  - (Cash From Operations − Net Income) ÷ Market Cap
- Score from 1 to 100
  - Lower the score the better

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Earnings Quality

- Identifies companies that are aggressively reporting or misrepresenting their earnings
- Accounting choices can inflate earnings by delaying expenses or recognizing earnings early
  - Permitted under GAAP but could signal problems with the company
- Companies that are aggressively manipulating their earnings cannot sustain it forever and tend to underperform in the future

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Financial Strength

- Whereas Earnings Quality focused on earnings and cash flow, Financial Strength shifts focus to the balance sheet
- If a company cannot meet its (debt) obligations, it will fail, wiping out owners' equity

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Financial Strength Composite

- O'Shaughnessy put together a Financial Strength Composite Score using these factors
  - Debt-to-equity ratio
  - Cash-flow-to-debt ratio
  - External financing
  - 1-year change in long-term debt
- As a proxy for cash flow to debt (debt coverage), AAII's uses times interest earned
- Average the percentile rankings for each factor to arrive at score from 1 to 100
  - Higher the score the better

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SSR's O'Shaughnessy Multi-Factor Stock Selection Strategy

- Based on O'Shaughnessy's Value, Earnings Quality and Financial Strength composites
- Look for stocks that rank in the "top" 20% in terms of attractive valuation, earnings quality and financial strength
- Sell when these factors fall into the bottom quintile

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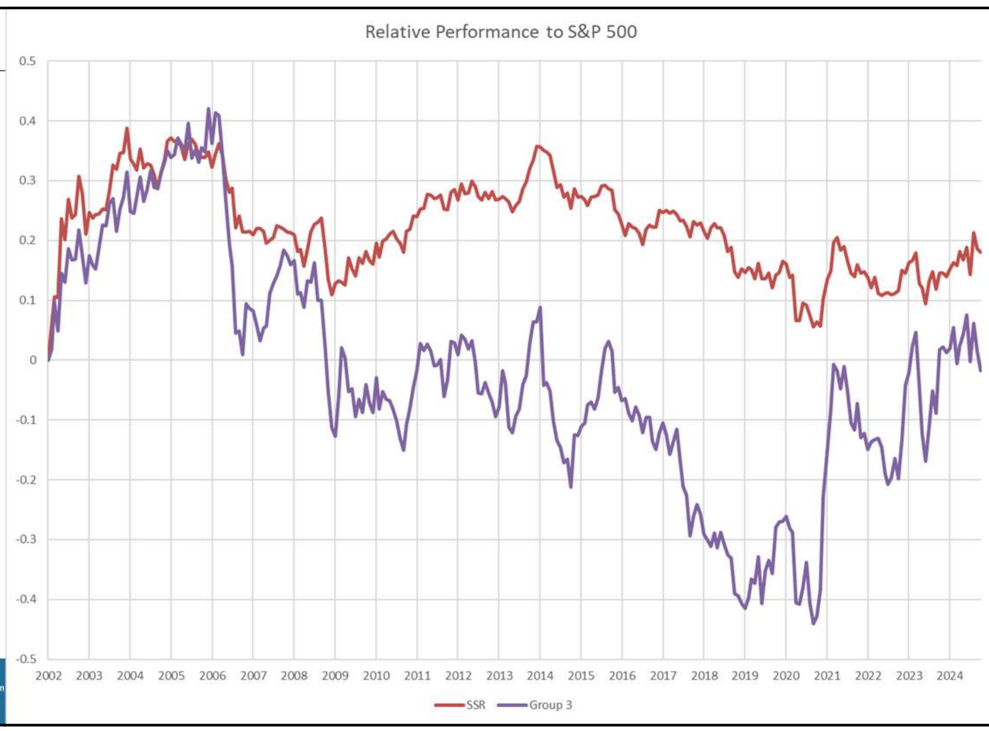

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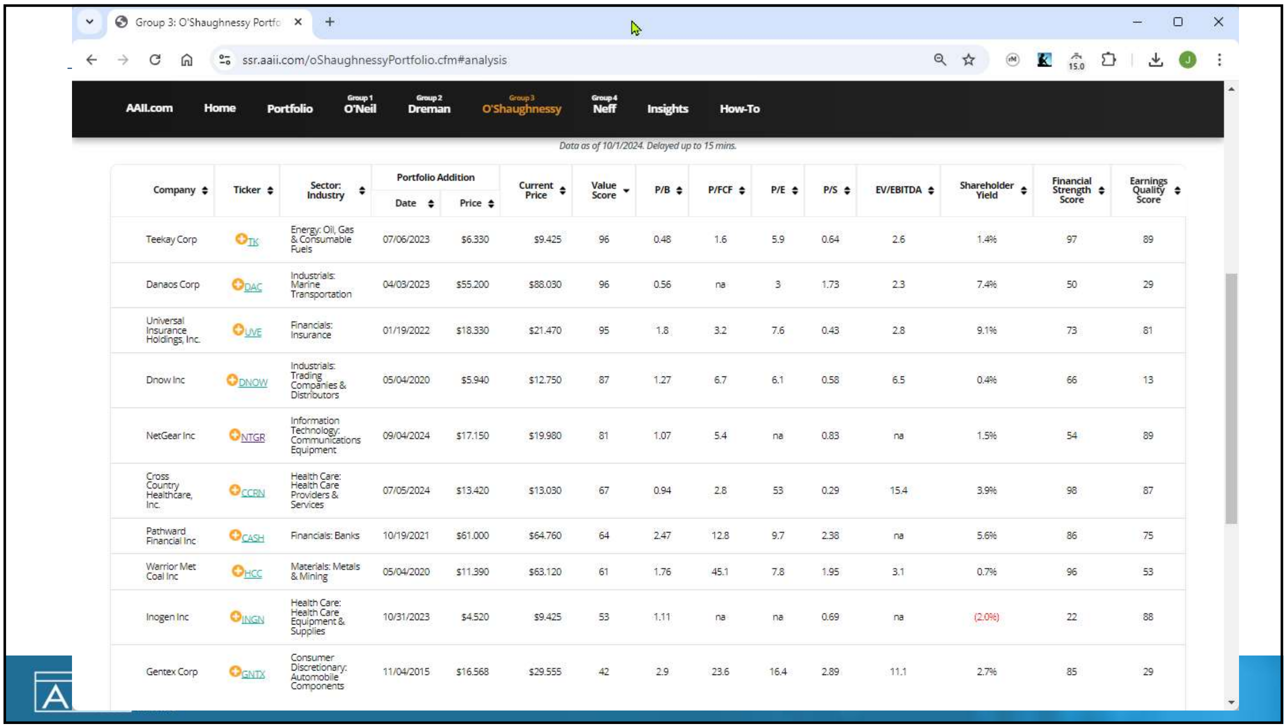

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AAII.com | Home | Portfolio | Group 1 O'Neil | Group 2 Dreman | Group 3 O'Shaughnessy | Group 4 Neff | Insights | How-To

Data as of 10/1/2024. Delayed up to 15 mins.

Company	Ticker	Sector: Industry	Portfolio Addition Date	Portfolio Addition Price	Current Price	Value Score	P/B	P/FCF	P/E	P/S	EV/EBITDA	Shareholder Yield	Financial Strength Score	Earnings Quality Score
Teekay Corp	TK	Energy: Oil, Gas & Consumable Fuels	07/06/2023	$6.330	$9.425	96	0.48	1.6	5.9	0.64	2.6	1.4%	97	89
Danaos Corp	DAC	Industrials: Marine Transportation	04/03/2023	$55.200	$88.030	96	0.56	na	3	1.73	2.3	7.4%	50	29
Universal Insurance Holdings, Inc.	UVE	Financials: Insurance	01/19/2022	$18.330	$21.470	95	1.8	3.2	7.6	0.43	2.8	9.1%	73	81
Dnow Inc	DNOW	Industrials: Trading Companies & Distributors	05/04/2020	$5.940	$12.750	87	1.27	6.7	6.1	0.58	6.5	0.4%	66	13
NetGear Inc	NTGR	Information Technology: Communications Equipment	09/04/2024	$17.150	$19.980	81	1.07	5.4	na	0.83	na	1.5%	54	89
Cross Country Healthcare, Inc.	CCRN	Health Care: Health Care Providers & Services	07/05/2024	$13.420	$13.030	67	0.94	2.8	53	0.29	15.4	3.9%	98	87
Pathward Financial Inc	CASH	Financials: Banks	10/19/2021	$61.000	$64.760	64	2.47	12.8	9.7	2.38	na	5.6%	86	75
Warrior Met Coal Inc	HCC	Materials: Metals & Mining	05/04/2020	$11.390	$63.120	61	1.76	45.1	7.8	1.95	3.1	0.7%	96	53
Inogen Inc	INGN	Health Care: Health Care Equipment & Supplies	10/31/2023	$4.520	$9.425	53	1.11	na	na	0.69	na	(2.0%)	22	88
Gentex Corp	GNTX	Consumer Discretionary: Automobile Components	11/04/2015	$16.568	$29.555	42	2.9	23.6	16.4	2.89	11.1	2.7%	85	29

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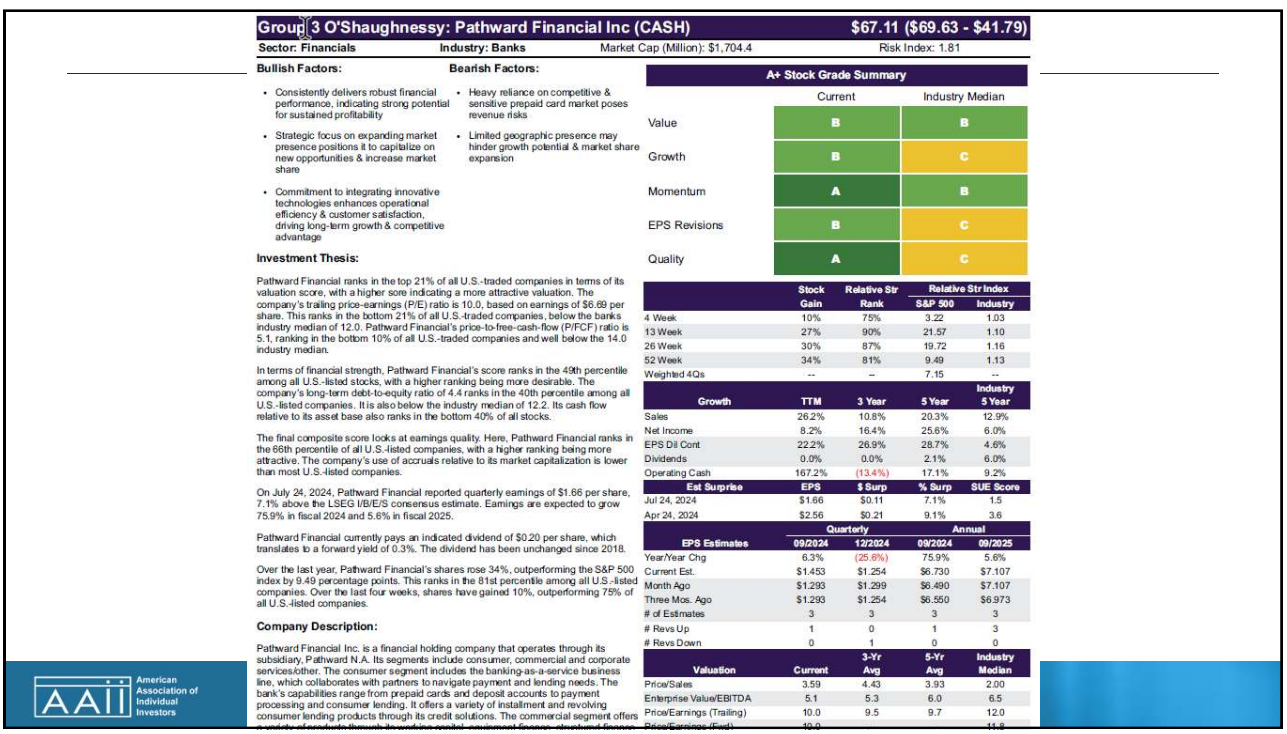

Group 3 O'Shaughnessy: Pathward Financial Inc (CASH) — $67.11 ($69.63 - $41.79)

Sector: Financials | Industry: Banks | Market Cap (Million): $1,704.4 | Risk Index: 1.81

Bullish Factors:

- Consistently delivers robust financial performance, indicating strong potential for sustained profitability
- Strategic focus on expanding market presence positions it to capitalize on new opportunities & increase market share
- Commitment to integrating innovative technologies enhances operational efficiency & customer satisfaction, driving long-term growth & competitive advantage

Bearish Factors:

- Heavy reliance on competitive & sensitive prepaid card market poses revenue risks
- Limited geographic presence may hinder growth potential & market share expansion

Investment Thesis:

Pathward Financial ranks in the top 21% of all U.S.-traded companies in terms of its valuation score, with a higher sore indicating a more attractive valuation. The company's trailing price-earnings (P/E) ratio is 10.0, based on earnings of $6.69 per share. This ranks in the bottom 21% of all U.S.-traded companies, below the banks industry median of 12.0. Pathward Financial's price-to-free-cash-flow (P/FCF) ratio is 5.1, ranking in the bottom 10% of all U.S.-traded companies and well below the 14.0 industry median.

In terms of financial strength, Pathward Financial's score ranks in the 49th percentile among all U.S.-listed stocks, with a higher ranking being more desirable. The company's long-term debt-to-equity ratio of 4.4 ranks in the 40th percentile among all U.S.-listed companies. It is also below the industry median of 12.2. Its cash flow relative to its asset base also ranks in the bottom 40% of all stocks.

The final composite score looks at earnings quality. Here, Pathward Financial ranks in the 66th percentile of all U.S.-listed companies, with a higher ranking being more attractive. The company's use of accruals relative to its market capitalization is lower than most U.S.-listed companies.

On July 24, 2024, Pathward Financial reported quarterly earnings of $1.66 per share, 7.1% above the LSEG I/B/E/S consensus estimate. Earnings are expected to grow 75.9% in fiscal 2024 and 5.6% in fiscal 2025.

Pathward Financial currently pays an indicated dividend of $0.20 per share, which translates to a forward yield of 0.3%. The dividend has been unchanged since 2018.

Over the last year, Pathward Financial's shares rose 34%, outperforming the S&P 500 index by 9.49 percentage points. This ranks in the 81st percentile among all U.S.-listed companies. Over the last four weeks, shares have gained 10%, outperforming 75% of all U.S.-listed companies.

Company Description:

Pathward Financial Inc. is a financial holding company that operates through its subsidiary, Pathward N.A. Its segments include consumer, commercial and corporate services/other. The consumer segment includes the banking-as-a-service business line, which collaborates with partners to navigate payment and lending needs. The bank's capabilities range from prepaid cards and deposit accounts to payment processing and consumer lending. It offers a variety of installment and revolving consumer lending products through its credit solutions. The commercial segment offers

A+ Stock Grade Summary

	Current	Industry Median
Value	B	B
Growth	B	C
Momentum	A	B
EPS Revisions	B	C
Quality	A	C

	Stock Gain	Relative Str Rank	Relative Str Index S&P 500	Relative Str Index Industry
4 Week	10%	75%	3.22	1.03
13 Week	27%	90%	21.57	1.10
26 Week	30%	87%	19.72	1.16
52 Week	34%	81%	9.49	1.13
Weighted 4Qs	--	--	7.15	--

Growth	TTM	3 Year	5 Year	Industry 5 Year
Sales	26.2%	10.8%	20.3%	12.9%
Net Income	8.2%	16.4%	25.6%	6.0%
EPS Dil Cont	22.2%	26.9%	28.7%	4.6%
Dividends	0.0%	0.0%	2.1%	6.0%
Operating Cash	167.2%	(13.4%)	17.1%	9.2%

Est Surprise	EPS	$ Surp	% Surp	SUE Score
Jul 24, 2024	$1.66	$0.11	7.1%	1.5
Apr 24, 2024	$2.56	$0.21	9.1%	3.6

EPS Estimates	Quarterly 09/2024	Quarterly 12/2024	Annual 09/2024	Annual 09/2025
Year/Year Chg	6.3%	(25.6%)	75.9%	5.6%
Current Est.	$1.453	$1.254	$6.730	$7.107
Month Ago	$1.293	$1.299	$6.490	$7.107
Three Mos. Ago	$1.293	$1.254	$6.550	$6.973
# of Estimates	3	3	3	3
# Revs Up	1	0	1	3
# Revs Down	0	1	0	0

Valuation	Current	3-Yr Avg	5-Yr Avg	Industry Median
Price/Sales	3.59	4.43	3.93	2.00
Enterprise Value/EBITDA	5.1	5.3	6.0	6.5
Price/Earnings (Trailing)	10.0	9.5	9.7	12.0

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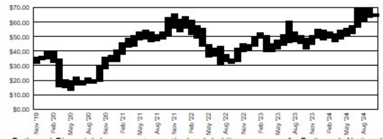
Pathward Financial, Inc. (Nasdaq: CASH) — $64.540 ($69.625-$41.790)

Web	www.pathwardfinancial.com
Sector	Financials
Industry	Banks

S&P Index	SmallCap 600	Shrs Outsfg (M)	24.9
Market Cap ($M)	1,612.0	Float (M)	24.5
Employees	1	Daily Vol (K)	188.0
Beta	0.69	Insd'r Hlds %	1.5
		Inst Hlds %	91.2
EPS TTM ($)	6.62	EPS Est 2024 ($)	6.55
P/E TTM	9.7	P/E Est EPS	9.8
PEG	0.3	PEG Est EPS & Grth	NA
5yr EPS Grth (%)	29.1	Est EPS Grth (%)	NA
Yield (%)	0.3	Ind Dividend ($)	0.20
Split Date	10/05/2018	Next Qtrly Dividend ($)	0.05
Split Factor	3.0000	Ex. Dividend Date	9/10/24
		Dividend Pmt. Date	10/01/24



Pathward Financial, Inc. operates as the bank holding company for Pathward, National Association that provides various banking products and services in the United States. The company operates through three segments: Consumer, Commercial, and Corporate Services/Other. It offers demand deposit accounts, savings accounts, and money market savings accounts. The company also provides commercial finance product comprising term lending, asset-based lending, factoring, lease financing, insurance premium finance, government guaranteed lending, and other commercial finance products; consumer credit products; other consumer financing services; tax services, which includes short-term refund advance loans and short-term electronic return originator advance loans; and warehouse financing services. In addition, it issues prepaid cards; and offers payment solutions, such as acceptance, processing, and settlement of credit card and debit card payments. The company was formerly known as Meta Financial Group, Inc. and changed its name to Pathward Financial, Inc. in July 2022. Pathward Financial, Inc. was founded in 1954 and is based in Sioux Falls, South Dakota.

	Price Chg	Rel Strgth vs S&P	Rel Strgth Rank
4 Week (%)	(3)	(6)	25
13 Week (%)	10	6	62
26 Week (%)	31	19	85
52 Week (%)	40	5	76

Growth (%)	TTM	3 Year	5 Year
Sales	12.6	14.0	17.7
Gross Income	12.6	14.0	17.7
Net Income	13.0	16.0	26.0
EPS Basic	21.5	26.9	29.0
EPS Diluted	21.6	26.8	29.1
EPS Diluted Cont	21.6	26.8	29.1
Dividends	0.0	0.0	2.1
Cash Flow	(165.9)	(27.1)	58.6
Free Cash Flow	36.8	(35.7)	(29.4)

EPS Surprise	Reported EPS	% Surprise	SUE Score
07/24/2024	$1.66	7.10%	1.5
04/24/2024	$2.18	(7.10)%	-2.9

Earnings Estimates	Quarterly 9/2024	Quarterly 12/2024	Annual 9/2024	Annual 9/2025
Average	1.26	1.18	6.55	7.16
High Est.	1.31	1.25	6.58	7.27
Low Est.	1.17	1.12	6.53	7.05
Std. Dev.	0.06	0.05	0.02	0.09
# of Est.	3	3	3	3
Month Ago	1.27	1.25	6.58	7.11
Rev Up.	0	0	0	0
Rev. Down	1	2	0	0
3 Months Ago	1.29	1.40	6.49	6.86
Report Date	10/23/2024	NA		

Quarterly

Financial Statements	Current	9/2023	9/2022	9/2021	9/2020	9/2019
Sales ($M)	695.8	643.8	572.6	497.5	434.1	431.1
Gross Income ($M)	695.8	643.8	572.6	497.5	434.1	431.1
Research/Dev ($M)	NA	NA	NA	NA	NA	NA
Unusual/Extra ($M)	1.9	0.0	0.7	0.2	2.0	9.7
Operating Income ($M)	201.5	187.1	194.6	165.2	128.0	125.3
Interest Expense ($M)	22.1	10.9	4.9	6.9	33.8	61.5
Pretax Income ($M)	195.3	182.1	187.3	156.4	115.0	97.9
Net Income ($M)	170.7	163.6	156.4	141.7	104.7	97.0
Operat'g Cash Flw ($M)	433.0	303.1	268.8	581.6	467.2	191.0
Cap Expenditures ($M)	299.1	449.9	438.9	64.0	65.9	158.4
EPS Basic ($)	6.63	6.01	5.26	4.38	2.94	2.50
EPS Diluted ($)	6.62	5.99	5.26	4.38	2.94	2.49
EPS Diluted Cont ($)	6.62	5.99	5.26	4.38	2.94	2.49
Dividends/Share ($)	0.20	0.20	0.20	0.20	0.20	0.20
Cash Flow/Share ($)	(8.49)	(0.46)	2.53	(3.57)	8.64	0.70
Free Cash Flow/Share ($)	5.06	(5.67)	(6.02)	16.11	11.32	0.66
Cash & ST Inv ($M)	298.9	375.6	388.0	314.0	427.4	92.6
Goodwill/Intgble ($M)	327.0	330.2	335.2	342.7	351.2	362.3
Total Assets ($M)	7,530.3	7,535.5	6,747.4	6,690.7	6,092.1	6,182.9
Long Term Debt ($M)	59.2	58.8	68.1	129.3	124.0	215.8
Total Liabilities ($M)	6,765.0	6,884.9	6,102.3	5,818.8	5,244.8	5,338.9
Book Value/Share ($)	30.53	24.89	22.41	27.49	24.55	22.22
Avg Shares Outsfg (M)	24.9	26.8	29.2	31.7	34.8	37.9

Multiples	Current	9/2023	9/2022	9/2021	9/2020	9/2019
Price/Earnings	9.7	8.4	9.0	11.3	9.0	11.0
Price/Book Value	2.4	2.0	2.1	1.8	1.0	1.2
Price/Sales	2.3	2.0	2.4	3.1	2.1	2.4
Price/Cash Flow	NA	NA	18.8	NA	3.1	38.9
Price/Free Cash Flow	12.8	NA	NA	3.1	2.3	41.4
Yield (%)	0.3	0.4	0.4	0.4	0.8	0.7

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Group 3: O'Shaughnessy Portfo

ssr.aaii.com/oShaughnessyPortfolio.cfm#watchlist

AAII.com Home Portfolio Group 1 O'Neil Group 2 Dreman Group 3 O'Shaughnessy Group 4 Neff Insights How-To

Company	Ticker	Sector: Industry	Watchlist Alert Date	Watchlist Alert Price	Current Price	Value Score	P/B	P/FCF	P/E	P/S	EV/EBITDA	Shareholder Yield	Financial Strength Score	Earnings Quality Score
Pasithea Therapeutics Corp	KTTA	Health Care: Biotechnology	09/26/2024	$5.850	$4.785	100	0.21	na	na	na	0.5	20.1%	88	85
Nisun Internatnal Entpre Dev Grp Co Ltd	NISN	Information Technology: Software	07/18/2024	$7.820	$18.100	97	0.31	1.8	3.6	0.17	na	0.9%	94	84
Teekay Corp	TK	Energy: Oil, Gas & Consumable Fuels	09/05/2024	$7.970	$9.425	96	0.48	1.6	5.9	0.64	2.6	1.4%	97	89
Navient Corp	NAVI	Financials: Consumer Finance	10/01/2024	$15.220	$15.285	93	0.61	2.1	11	1.73	na	14.7%	98	89
NovaBay Pharmaceuticals Inc	NBY	Health Care: Pharmaceuticals	10/01/2024	$0.678	$0.683	93	0.24	na	na	0.03	na	0.0%	85	97
Grupo Supervielle SA - ADR	SUPV	Financials: Banks	10/01/2024	$7.180	$7.120	92	na	na	29.5	0.01	na	72.0%	98	97
Murphy Oil Corp	MUR	Energy: Oil, Gas & Consumable Fuels	10/01/2024	$34.510	$34.555	91	0.95	6.9	9	1.57	4.1	6.0%	90	82
Herbalife Ltd	HLF	Consumer Staples: Personal Care Products	10/01/2024	$7.020	$6.865	90	na	4.5	8.6	0.14	6.4	(1.5%)	89	84
Invesco Mortgage Capital Inc	IVR	Financials: Mortgage Real Estate Investment Trusts (REITs)	10/01/2024	$9.160	$9.125	88	0.58	5.8	na	na	na	1.1%	87	87
Eagle Bancorp Inc	EGBN	Financials: Banks	10/01/2024	$22.410	$23.250	86	0.53	6.3	na	2.78	na	8.9%	83	84
Rocky Brands Inc	RCKY	Consumer Discretionary: Textiles, Apparel & Luxury Goods	10/01/2024	$31.020	$31.460	85	1.03	3.3	15.5	0.5	6.6	1.0%	83	83

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Featured Stock Superstar: John Neff

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John Neff

- Manager of the Vanguard Windsor Fund from 1964 through 1995
  - Total assets grew from $75 million to $13.7 billion at his retirement
  - Over his 31-year tenure, Neff outperformed the S&P 500 for 23 of the years
  - The average annual rate of return was 13.7% versus the 10.6% average for the index
  - $10,000 invested over those 31 years would have grown to $537,271 versus $227,200 invested in the index (2.4x higher)
- His 1999 book "John Neff on Investing" outlines his investment approach

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Neff's Investment Principles

- Low price-earnings (P/E) ratio
- Fundamental growth in excess of 7%
- Yield protection (and enhancement, in most cases)
- Superior relationship of total return to P/E paid
- No cyclical exposure without compensating P/E multiple
- Solid companies in growing fields
- Strong fundamental case

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Look for "cheapo" stocks with a dividend-adjusted PEG that is noticeably out of line with market or industry benchmarks

- P/E Ratio = 10, EPS Growth = 5%
  - PEG = P/E ÷ Growth = 10 ÷ 5 = 2.0
- P/E Ratio = 10, EPS Growth = 10%
  - PEG = P/E ÷ Growth = 10 ÷ 10 = 1.0
- P/E Ratio = 10, EPS Growth = 10, Yield = 5%
  - Div Adj. PEG = P/E ÷ (Growth + Yield)
    = 10 ÷ (10 + 5) = 0.67

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Fundamental Growth

- Low P/E companies growing faster than 7% a year indicate underappreciated signs of life
  - Particularly if accompanied by an attention-getting dividend
- Neff also wanted companies that were growing at a sustainable level
  - Usually capped growth at 20% a year

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Yield: Return Shareholders Can Pocket

- A low P/E strategy often results in a superior dividend yield
- Per Graham & Dodd, yield is the more assured part of growth
- Companies usually only lower their dividend under extraordinary duress
- Since stock prices usually sell on the basis of expected earnings growth, shareholders collect the dividend income for free

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Strong Fundamental Support

- Neff placed emphasis on cash flow, especially as companies became more creative with their definition of "earnings"
  - Excess cash flow can provide capital for additional dividends, stock buybacks, acquisitions or reinvestment
- Neff looked at operating margin as an indication of a company's "earnings margin of error"
  - (Sales – Operating Expenses) ÷ Sales
- Among low P/E stocks, a robust operating margin supplies protection against negative surprises

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Reasons to Sell

- Neff sold shares for either of two reasons:
  - Fundamentals deteriorated
  - The price approached his expectations
- Sell when you make a mistake
- Failure of fundamentals becomes obvious using two measures:
  - Estimates of earnings
  - Five-year growth rates
- Calculated appreciation potential based on earnings expectations and projected P/E expansion
- "When you feel like bragging about a stock, it's probably time to sell."

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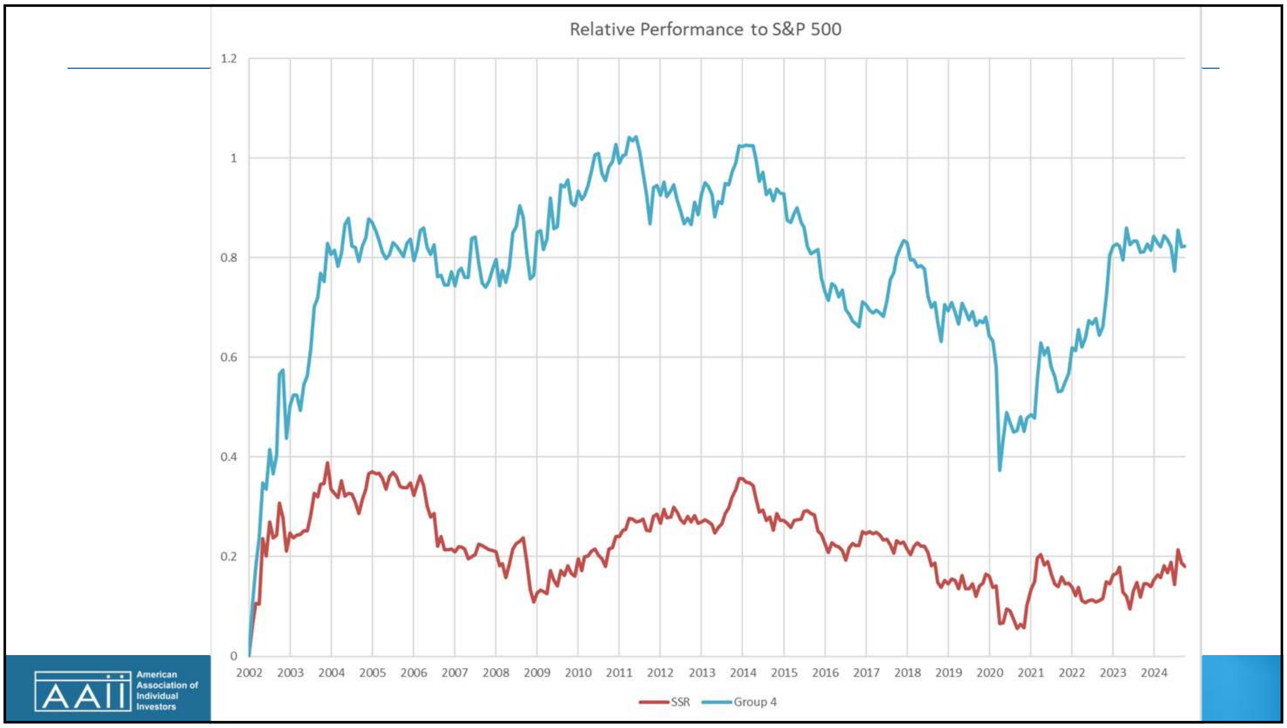

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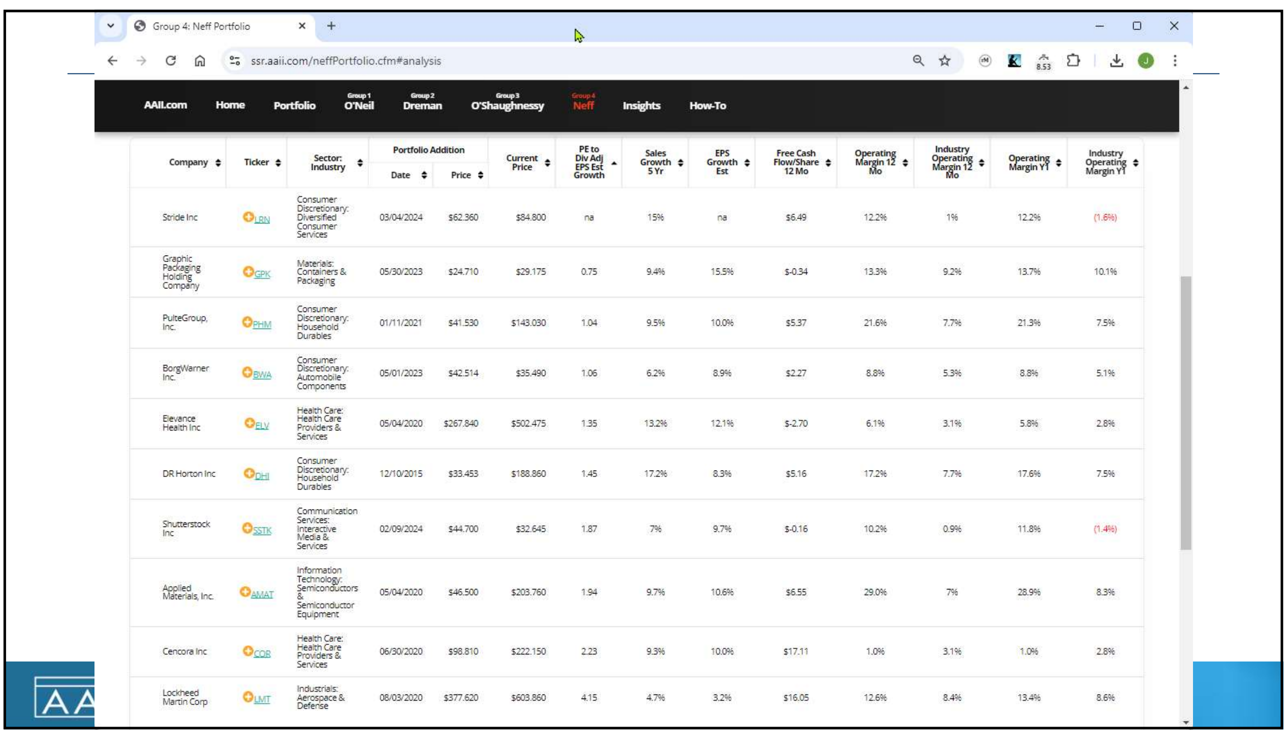

Company	Ticker	Sector: Industry	Portfolio Addition Date	Portfolio Addition Price	Current Price	PE to Div Adj EPS Est Growth	Sales Growth 5 Yr	EPS Growth Est	Free Cash Flow/Share 12 Mo	Operating Margin 12 Mo	Industry Operating Margin 12 Mo	Operating Margin YT	Industry Operating Margin YT
Stride Inc	LRN	Consumer Discretionary: Diversified Consumer Services	03/04/2024	$62.360	$84.800	na	15%	na	$6.49	12.2%	1%	12.2%	(1.6%)
Graphic Packaging Holding Company	GPK	Materials: Containers & Packaging	05/30/2023	$24.710	$29.175	0.75	9.4%	15.5%	$-0.34	13.3%	9.2%	13.7%	10.1%
PulteGroup, Inc.	PHM	Consumer Discretionary: Household Durables	01/11/2021	$41.530	$143.030	1.04	9.5%	10.0%	$5.37	21.6%	7.7%	21.3%	7.5%
BorgWarner Inc.	BWA	Consumer Discretionary: Automobile Components	05/01/2023	$42.514	$35.490	1.06	6.2%	8.9%	$2.27	8.8%	5.3%	8.8%	5.1%
Elevance Health Inc	ELV	Health Care: Health Care Providers & Services	05/04/2020	$267.840	$502.475	1.35	13.2%	12.1%	$-2.70	6.1%	3.1%	5.8%	2.8%
DR Horton Inc	DHI	Consumer Discretionary: Household Durables	12/10/2015	$33.453	$188.860	1.45	17.2%	8.3%	$5.16	17.2%	7.7%	17.6%	7.5%
Shutterstock Inc	SSTK	Communication Services: Interactive Media & Services	02/09/2024	$44.700	$32.645	1.87	7%	9.7%	$-0.16	10.2%	0.9%	11.8%	(1.4%)
Applied Materials, Inc.	AMAT	Information Technology: Semiconductors & Semiconductor Equipment	05/04/2020	$46.500	$203.760	1.94	9.7%	10.6%	$6.55	29.0%	7%	28.9%	8.3%
Cencora Inc	COR	Health Care: Health Care Providers & Services	06/30/2020	$98.810	$222.150	2.23	9.3%	10.0%	$17.11	1.0%	3.1%	1.0%	2.8%
Lockheed Martin Corp	LMT	Industrials: Aerospace & Defense	08/03/2020	$377.620	$603.860	4.15	4.7%	3.2%	$16.05	12.6%	8.4%	13.4%	8.6%

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Group 4 Neff: Stride Inc (LRN) — $80.66 ($83.97 - $41.70)

Sector: Academic & Educational Services Industry: Miscellaneous Educational Service Providers Market Cap (Million): $3,493.4 Risk Index: 1.95

Bullish Factors:

- Well-positioned to capitalize on increasing demand for online education and alternative learning solutions
- Broad range of educational products and services caters to a wide audience
- Focus on cost management and operational efficiency has contributed to strong financial health

Bearish Factors:

- Public education budget cuts or funding policy changes could adversely affect growth prospects
- Competition in online education market could pressure revenue growth and market share

Investment Thesis:

Stride has a trailing price-earnings (P/E) ratio of 17.3, based on trailing GAAP earnings of $4.68 per share. This ranks in the 45th percentile among all U.S.-listed stocks. It is below the five-year average of 20.1 but in line with the median value for companies in the miscellaneous educational service providers industry, as designated by The Refinitiv Business Classification (TRBC).

Analysts are expecting earnings of $4.97 per share for the fiscal year ending in June 2025. This translates to a forward price-earnings ratio of 16.2, which ranks in the 48th percentile among all U.S.-listed companies.

Stride does not pay a dividend.

The trailing price-earnings ratio of 17.3 is reasonable relative to the expected annual earnings growth rate over the next three to five years of 20.0% from one analyst. This translates to a price-earnings-to-earnings-growth (PEG) ratio of 0.90.

Sales have expanded at an average annual rate of 15.0% over the last five years and 9.9% over the last three years. Over the last 12 months, Stride has generated free cash flow of $6.27 per share.

On August 6, 2024, Stride reported quarterly earnings of $1.42 per share, beating the LSEG I/B/E/S consensus estimate of $1.271 per share by 11.7%. Average earnings estimates from six analysts are $4.969 per share for fiscal-year 2025 ending in June, which would represent 62.4% growth from the prior year. Earnings are expected to grow 14.2% in fiscal-year 2026.

Over the last 52 weeks, Stride shares have risen 83%, outperforming the S&P 500 index by 49.78 percentage points over the period. Over the last four weeks, shares have gained 3%, ranking in the 51st percentile among U.S.-listed stocks.

Company Description:

Stride Inc. is an education services company providing virtual and blended learning. It provides tech-enabled education solutions, curriculums and programs directly to students, schools, the military and enterprises in primary, secondary and postsecondary settings. It offers K-12 education for students, schools and districts, including career learning services through middle and high school curriculums. For adult learners, it delivers professional skills training in health care and technology as well as staffing and talent development. Its solutions address two markets: general education and career learning. For both markets, it offers a school-as-a-service product, which includes an integrated package of curriculum, technology systems, instruction and support services that it administers on behalf of its customers.

A+ Stock Grade Summary

	Current	Industry Median
Value	C	C
Growth	A	C
Momentum	A	C
EPS Revisions	D	C
Quality	A	B

	Stock Gain	Relative Str Rank	Relative Str Index S&P 500	Relative Str Index Industry
4 Week	3%	51%	(2.71)	1.03
13 Week	18%	82%	12.63	1.42
26 Week	31%	87%	20.21	1.74
52 Week	83%	93%	49.78	2.11
Weighted 4Qs	--	--	12.62	--

Growth	TTM	3 Year	5 Year	Industry 5 Year
Sales	11.0%	9.9%	15.0%	5.3%
Net Income	60.9%	41.9%	40.6%	1.6%
EPS Dil Cont	57.9%	40.1%	38.8%	17.1%
Dividends	0.0%	0.0%	0.0%	9.9%
Operating Cash	37.2%	27.6%	14.5%	(15.4%)

Est Surprise	EPS	$ Surp	% Surp	SUE Score
Aug 6, 2024	$1.42	$0.15	11.7%	2.0
Apr 23, 2024	$1.60	$0.17	12.0%	2.2

	Quarterly		Annual	
EPS Estimates	09/2024	12/2024	06/2025	06/2026
Year/Year Chg	95.6%	(6.4%)	62.4%	14.2%
Current Est.	$0.221	$1.581	$4.969	$5.676
Month Ago	$0.225	$1.605	$5.039	$5.714
Three Mos. Ago	$0.228	$1.581	$5.128	$5.800
# of Estimates	5	5	6	5
# Revs Up	1	0	2	2
# Revs Down	2	4	2	1

Valuation	Current	3-Yr Avg	5-Yr Avg	Industry Median
Price/Sales	1.69	0.85	0.90	1.58
Enterprise Value/EBITDA	8.2	5.7	5.6	7.6

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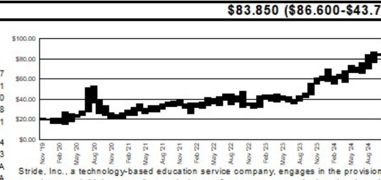
Stride, Inc. (New York: LRN) — $83.850 ($86.600-$43.770)

Web	www.stridelearning.com
Sector	Consumer Discretionary
Industry	Diversified Consumer Services

S&P Index	SmallCap 600	Shrs Outsf'g (M)	42.7
Market Cap ($M)	3,567.6	Float (M)	40.1
Employees	7	Daily Vol (K)	863.0
Beta	0.29	Insd'r Hlds %	4.8
		Inst Hlds %	95.1
EPS TTM ($)	4.69	EPS Est 2025 ($)	5.14
P/E TTM	17.9	P/E Est EPS	16.3
PEG	0.5	PEG Est EPS & Grth	NA
5yr EPS Grth (%)	38.8	Est EPS Grth (%)	NA
Yield (%)	0.0	Ind Dividend ($)	0.00
Split Date	NA	Next Qtrly Dividend ($)	NA
Split Factor	NA	Ex. Dividend Date	
		Dividend Pmt. Date	



Stride, Inc., a technology-based education service company, engages in the provision of proprietary and third-party online curriculum, software systems, and educational services in the United States and internationally. Its technology-based products and services enable clients to attract, enroll, educate, track progress, support, and facilitate individualized learning for students. The company offers integrated package of systems, services, products, and professional expertise to support a virtual or blended public school; software and services to schools and school districts; individual online courses and supplemental educational products; and products and services for the general education market focused on subjects, including math, English, science, and history for kindergarten through twelfth grade students. It also provides career learning products and services that are focused on developing skills to enter in industries, including information technology, health care, and business; and operates tuition-based private schools. In addition, the company offers focused post-secondary career learning programs, which include skills training for software engineering, healthcare, and m

	Price Chg	Rel Strgth vs S&P	Rel Strgth Rank
4 Week (%)	3	0	60
13 Week (%)	21	17	81
26 Week (%)	36	24	88
52 Week (%)	86	39	91

Growth (%)	TTM	3 Year	5 Year
Sales	11.0	9.9	15.0
Gross Income	18.0	12.6	17.5
Net Income	60.9	41.9	40.6
EPS Basic	60.1	39.2	38.0
EPS Diluted	58.4	40.0	38.8
EPS Diluted Cont	58.4	40.0	38.8
Dividends	NA	0.0	0.0
Cash Flow	339.6	(21.2)	9.7
Free Cash Flow	39.9	25.9	13.1

EPS Surprise	Reported EPS	% Surprise	SUE Score
08/06/2024	$1.42	8.30%	0.8
04/23/2024	$1.60	8.60%	1.2

Earnings Estimates	Quarterly 9/2024	Quarterly 12/2024	Annual 6/2025	Annual 6/2026
Average	0.26	1.62	5.14	5.84
High Est.	0.42	1.87	5.93	6.40
Low Est.	0.18	1.31	4.34	5.18
Std. Dev.	0.08	0.18	0.51	0.41
# of Est.	5	5	5	5
Month Ago	0.26	1.62	5.14	5.84
Rev Up.	0	0	0	0
Rev. Down	0	0	0	0
3 Months Ago	0.23	1.58	5.17	5.75
Report Date	10/18/2024	NA		

Quarterly

Financial Statements	Current	6/2024	6/2023	6/2022	6/2021	6/2020
Sales ($M)	2,040.1	2,040.1	1,837.4	1,686.7	1,536.8	1,040.8
Gross Income ($M)	763.6	763.6	647.1	596.5	534.9	339.6
Research/Dev ($M)	16.7	16.7	15.5	7.5	3.7	9.7
Unusual/Extra ($M)	NA	NA	4.3	11.6	NA	2.4
Operating Income ($M)	249.6	249.6	169.8	163.7	110.5	34.9
Interest Expense ($M)	8.8	8.8	8.4	8.3	18.0	NA
Pretax Income ($M)	268.7	268.7	172.2	147.2	96.0	33.0
Net Income ($M)	204.2	204.2	126.9	107.1	71.5	24.5
Operat'g Cash Flw ($M)	278.8	278.8	203.2	206.9	134.2	80.4
Cap Expenditures ($M)	2.3	2.3	5.7	9.7	3.6	1.7
EPS Basic ($)	4.79	4.79	3.00	2.58	1.78	0.62
EPS Diluted ($)	4.69	4.69	2.97	2.52	1.71	0.60
EPS Diluted Cont ($)	4.69	4.69	2.97	2.52	1.71	0.60
Dividends/Share ($)	0.00	0.00	0.00	0.00	0.00	0.00
Cash Flow/Share ($)	2.11	2.11	0.51	0.07	4.31	(1.81)
Free Cash Flow/Share ($)	6.49	6.49	4.67	4.76	3.25	1.99
Cash & ST Inv ($M)	692.3	692.3	522.7	452.4	403.4	212.3
Goodwill/Intgble ($M)	388.9	388.9	404.9	401.5	397.1	300.9
Total Assets ($M)	1,920.5	1,920.5	1,760.7	1,643.5	1,577.3	1,073.3
Long Term Debt ($M)	486.3	486.3	493.7	515.5	418.3	101.2
Total Liabilities ($M)	744.4	744.4	813.4	831.0	772.6	397.9
Book Value/Share ($)	27.66	27.66	22.45	19.51	20.03	17.15
Avg Shares Outsf'g (M)	42.7	42.6	42.2	41.4	40.2	39.4

Multiples	Current	6/2024	6/2023	6/2022	6/2021	6/2020
Price/Earnings	17.9	10.0	12.3	11.7	19.9	46.9
Price/Book Value	3.0	1.7	1.6	1.5	1.7	1.6
Price/Sales	1.7	0.9	0.8	0.7	0.8	1.0
Price/Cash Flow	39.8	22.3	72.1	437.5	7.9	NA
Price/Free Cash Flow	12.9	7.2	7.8	6.2	10.4	14.2
Yield (%)	0.0	NA	NA	NA	NA	NA

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Group 4: Neff Portfolio

ssr.aaii.com/neffPortfolio.cfm#watchlist

AAII.com | Home | Portfolio | Group 1 O'Neil | Group 2 Dreman | Group 3 O'Shaughnessy | Group 4 Neff | Insights | How-To

Company	Ticker	Sector: Industry	Portfolio Addition Date	Portfolio Addition Price	Current Price	PE to Div Adj EPS Est Growth	Sales Growth 5yr	EPS Growth Est	Free cash flow/share 12m	Operating Margin 12m	Industry Operating Margin 12m	Operating Margin Y1	Industry Operating Margin Y1
Sirius XM Holdings Inc	SIRI	Communication Services: Media	09/19/2024	$24.020	$23.380	0.46	9.2%	10.0%	$2.10	23.0%	5.7%	22.7%	5.3%
Atkore Inc	ATKR	Industrials: Electrical Equipment	10/01/2024	$176.440	$83.195	0.51	13.9%	10.0%	$9.98	21.7%	1.6%	25.4%	0.2%
Liberty Energy Inc	LBRT	Energy: Energy Equipment & Services	10/01/2024	$19.940	$19.735	0.6	17.1%	12.0%	$2.04	12.9%	9.4%	15.9%	9.2%
KB Home	KBH	Consumer Discretionary: Household Durables	10/01/2024	$0.000	$83.970	0.72	7.1%	13.9%	$6.06	11.6%	7.7%	12.0%	7.5%
Victory Capital Holdings Inc	VCTR	Financials: Capital Markets	07/18/2024	$51.910	$55.380	0.74	14.7%	17.7%	$3.78	45.8%	20.9%	43.6%	21.4%
Webster Financial Corporation	WBS	Financials: Banks	10/01/2024	$44.860	$44.410	0.76	16.9%	9.4%	$3.85	48.1%	34.3%	48.7%	35.8%
InterDigital Inc	IDCC	Information Technology: Software	10/01/2024	$142.660	$143.305	0.88	12.3%	15.0%	$9.59	43.7%	(4.7%)	41.7%	(6.8%)
Alamo Group, Inc.	ALG	Industrials: Machinery	10/01/2024	$176.440	$176.930	0.9	10.9%	18.0%	$7.22	11.0%	10.2%	11.7%	10.1%
Five Below Inc	FIVE	Consumer Discretionary: Specialty Retail	10/01/2024	$89.530	$87.640	0.91	17.9%	19.4%	$0.33	9.7%	3.3%	10.8%	4.1%
First Bancorp	FBP	Financials: Banks	10/01/2024	$20.100	$20.080	0.94	10.3%	8.6%	$1.60	45.7%	34.3%	46.3%	35.8%
Skechers USA Inc	SKX	Consumer Discretionary: Textiles, Apparel & Luxury Goods	10/01/2024	$66.950	$66.150	0.94	11.4%	19.1%	$5.25	10.1%	9.4%	9.8%	9.6%
Cincinnati Financial Corporation	CINF	Financials: Insurance	07/26/2024	$123.960	$136.805	0.99	13.1%	7.8%	$11.66	25.7%	11.2%	23.3%	10.6%
NMI Holdings Inc	NMIH	Financials: Financial Services	07/25/2024	$110.350	$40.890	0.99	16.1%	9.8%	$4.59	78.4%	16.9%	76.8%	14.6%
Strategic Education Inc	STRA	Consumer Discretionary: Diversified Consumer Services	10/01/2024	$91.030	$90.765	1.06	12.3%	15.0%	$3.44	13.8%	1%	10.0%	(1.6%)

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Performance

		Stock Superstars Portfolio	Group1	Group2	Group3	Group4	iShares DJ U.S. (IYY)
Total Return	September	1.17%	1.94%	2.99%	(1.54%)	1.89%	2.03%
	2024	23.0%	42.2%	25.3%	15.0%	18.1%	19.8%
	2023	24.5%	16.4%	21.9%	29.7%	28.4%	26.3%
	2022	(16.0%)	(27.7%)	(13.2%)	(19.1%)	(5.6%)	(19.5%)
	2021	29.2%	32.6%	18.3%	28.7%	45.3%	26.3%
	2020	12.9%	20.1%	3.0%	25.0%	(3.0%)	20.2%
	2019	32.6%	31.0%	28.5%	49.6%	25.9%	30.9%
	2018	(10.8%)	3.9%	(10.3%)	(16.5%)	(18.4%)	(5.1%)
	2017	18.0%	22.2%	15.8%	0.7%	40.0%	21.2%
	2016	13.8%	12.3%	23.3%	7.4%	8.4%	12.0%
	2015	(3.1%)	0.9%	5.9%	5.8%	(17.2%)	0.5%
	2014	4.4%	7.5%	8.7%	(9.1%)	3.0%	12.7%
	2013	44.0%	40.3%	38.6%	54.3%	44.5%	32.6%
	2012	16.2%	19.6%	19.8%	5.8%	15.8%	16.1%
	2011	4.3%	11.3%	10.5%	3.5%	(6.5%)	1.1%
	2010	19.5%	22.7%	15.7%	14.7%	21.5%	16.4%
	2009	34.3%	40.1%	23.0%	40.2%	33.6%	28.5%
	2008	(43.5%)	(41.5%)	(34.2%)	(55.2%)	(35.8%)	(37.2%)
	2007	5.5%	3.6%	(5.4%)	14.0%	10.3%	5.8%
	2006	3.0%	(1.8%)	15.7%	(14.4%)	9.5%	15.3%
	2005	(0.3%)	16.2%	(12.5%)	5.9%	(3.2%)	6.1%
	2004	14.3%	4.8%	16.1%	20.6%	17.7%	11.8%
	2003	40.2%	31.4%	20.7%	37.3%	71.9%	30.4%
	2002	0.5%	(0.2%)	(21.4%)	(6.1%)	27.7%	(22.1%)
	Inception	**744.0%**	**1091.4%**	**466.2%**	**398.9%**	**1230.0%**	**666.2%**
Risk	Risk Index	1.07	1.36	1.10	1.28	1.15	1.00
	Std. Dev.	19.3%					18.0%

Performance as of 9/30/2024.

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Performance		Stock Superstars Portfolio	Group1	Group2	Group3	Group4	iShares DJ U.S. (IYY)
Total Return	September	1.2%	1.9%	3.0%	(1.5%)	1.9%	2.0%
	2024	23.0%	42.2%	25.3%	15.0%	18.1%	19.8%
	2023	24.5%	16.4%	21.9%	29.7%	28.4%	26.3%
	2022	(16.0%)	(27.7%)	(13.2%)	(19.1%)	(5.6%)	(19.5%)
	2021	29.2%	32.6%	18.3%	28.7%	45.3%	26.3%
	2020	12.9%	20.1%	3.0%	25.0%	(3.0%)	20.2%
	2019	32.6%	31.0%	28.5%	49.6%	25.9%	30.9%
	2018	(10.8%)	3.9%	(10.3%)	(16.5%)	(18.4%)	(5.1%)
	2017	18.0%	22.2%	15.8%	0.7%	40.0%	21.2%
	2016	13.8%	12.3%	23.3%	7.4%	8.4%	12.0%
	2015	(3.1%)	0.9%	5.9%	5.8%	(17.2%)	0.5%
	2014	4.4%	7.5%	8.7%	(9.1%)	3.0%	12.7%
	2013	44.0%	40.3%	38.6%	54.3%	44.5%	32.6%
	2012	16.2%	19.6%	19.8%	5.8%	15.8%	16.1%
	2011	4.3%	11.3%	10.5%	3.5%	(6.5%)	1.1%
	2010	19.5%	22.7%	15.7%	14.7%	21.5%	16.4%
	2009	34.3%	40.1%	23.0%	40.2%	33.6%	28.5%
	2008	(43.5%)	(41.5%)	(34.2%)	(55.2%)	(35.8%)	(37.2%)
	2007	5.5%	3.6%	(5.4%)	14.0%	10.3%	5.8%
	2006	3.0%	(1.8%)	15.7%	(14.4%)	9.5%	15.3%
	2005	(0.3%)	16.2%	(12.5%)	5.9%	(3.2%)	6.1%
	2004	14.3%	4.8%	16.1%	20.6%	17.7%	11.8%
	2003	40.2%	31.4%	20.7%	37.3%	71.9%	30.4%
	2002	0.5%	(0.2%)	(21.4%)	(6.1%)	27.7%	(22.1%)
	Inception	**744.0%**	**1091.4%**	**466.2%**	**398.9%**	**1230.0%**	**666.2%**
Risk	Risk Index	1.07	1.36	1.10	1.28	1.15	1.00
	Std. Dev.	19.3%					18.0%

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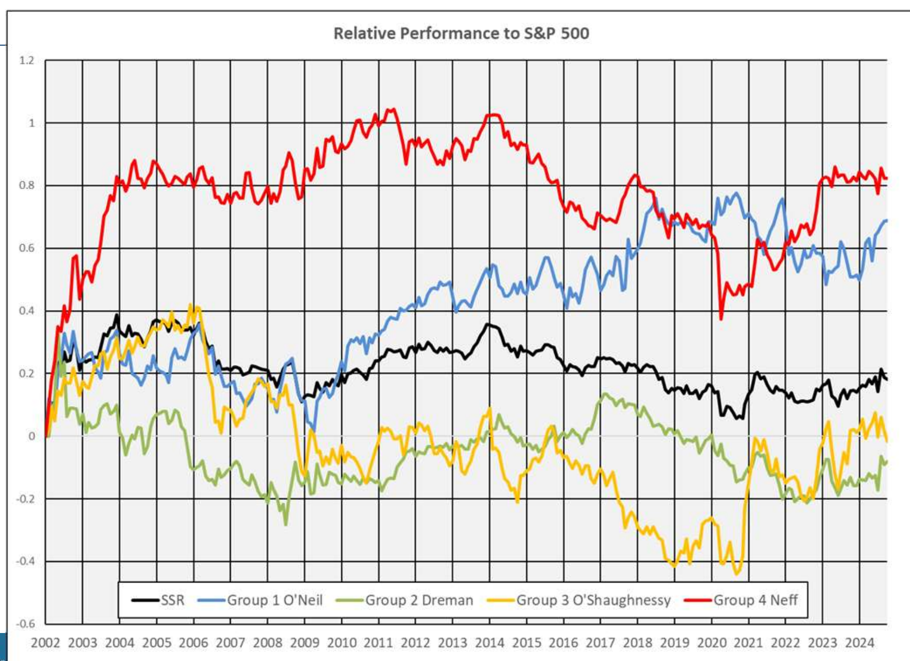

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Stock Superstar

An investor with a systematic approach to investing who has outperformed the market over the long term.

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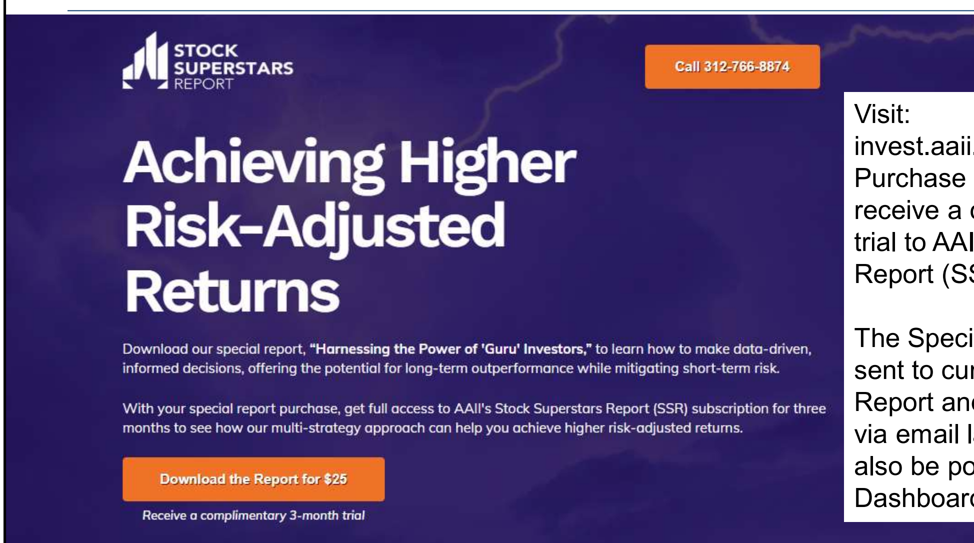

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Thank You!

Contact me at **johnb@aaii.com**
with questions or comments
about this presentation

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Disclaimer

- AAII’s superstar guru screens are inspired by their works and philosophies
- However, the various superstars were not involved in the creation of these screens and the passing companies do not necessarily reflect stocks they would invest in

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