

# Saint Joseph's University Hawk Fund: -1.16% YTD

S&P 500: -2.59% YTD

Total Market Value	\$247,076	Beta	1.02
Total Cash	\$4,578	Forward PE	20.95
Total Value	\$251,654	Return on Capital %	13.95

The Saint Joseph's University Hawk Fund is managed by students currently enrolled in FIN 401. All investment decisions are made at the discretion of current FIN 401 students.

As of: 04/08/2018



**Wealth (Invested \$100 at 12/31/2003)**



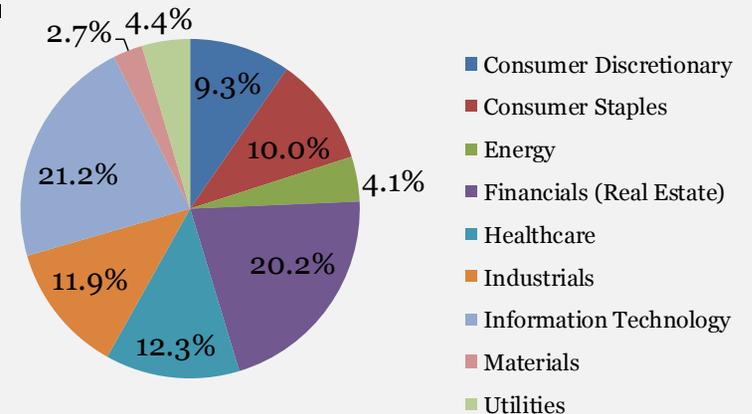
**Top 10 Holdings**

<u>Company</u>	<u>% Invested</u>
Arista Networks, Inc.	3.08%
Visa Inc. Class A	2.95%
American Tower Corporation	2.82%
Southwest Airlines Co.	2.75%
Graco Inc.	2.69%
Cigna Corporation	2.67%
Monster Beverage Corporation	2.67%
Everest Re Group, Ltd.	2.53%
Chubb Limited	2.40%
Intuitive Surgical, Inc.	2.36%

**Top Performance by Sector**

<u>Sector</u>	<u>Company</u>	<u>Return</u>
Consumer Discretionary	Netflix, Inc.	50.47%
Consumer Staples	MGP Ingredients, Inc.	11.64%
Energy	ConocoPhillips	7.96%
Financials	Everest Re Group, Ltd.	14.91%
Healthcare	Intuitive Surgical, Inc.	8.66%
Industrials	Exponent, Inc.	11.67%
Information Technology	Adobe Systems Incorporated	24.75%
Materials	Albany International Corp. Class A	3.25%
Utilities	NextEra Energy, Inc.	4.20%

**Sector Allocation**



## Year to Date Performance

Portfolio as of 04/08/2018

Name	Ticker	Beginning Date	Beginning Price	Number of Shares	Beginning Value	Current Prices	Current Market Value	Gain (Loss)	Return	% of Portfolio	% of SPX	% Over (Under) SPX
<b>Consumer Discretionary</b>										<b>9.3%</b>	<b>12.1%</b>	<b>-2.8%</b>
Alibaba Group Holding Ltd. Sponsored ADR	BABA	12/29/17	\$172	21	\$3,621	\$168	\$3,518	-\$103	-2.8%	1.4%		
AutoNation, Inc.	AN	12/29/17	\$51	35	\$1,797	\$46	\$1,626	-\$170	-9.5%	0.6%		
Callaway Golf Company	ELY	12/29/17	\$14	110	\$1,532	\$17	\$1,852	\$320	20.9%	0.7%		
LGI Homes, Inc.	LGIH	12/29/17	\$75	52	\$3,902	\$73	\$3,807	-\$95	-2.4%	1.5%		
Lithia Motors, Inc. Class A	LAD	12/29/17	\$114	20	\$2,272	\$101	\$2,020	-\$252	-11.1%	0.8%		
Netflix, Inc.	NFLX	12/29/17	\$192	7	\$1,344	\$289	\$2,022	\$678	50.5%	0.8%		
NIKE, Inc. Class B	NIKE	12/29/17	\$63	40	\$2,502	\$68	\$2,702	\$200	8.0%	1.1%		
Starbucks Corporation	SBUX	12/29/17	\$57	65	\$3,733	\$58	\$3,792	\$59	1.6%	1.5%		
Walt Disney Company	DIS	12/29/17	\$108	20	\$2,150	\$100	\$2,007	-\$143	-6.7%	0.8%		
<b>Consumer Staples</b>										<b>10.0%</b>	<b>8.1%</b>	<b>1.9%</b>
Coca-Cola Company	KO	12/29/17	\$46	40	\$1,835	\$44	\$1,757	-\$78	-4.3%	0.7%		
Constellation Brands, Inc. Class A	STZ	12/29/17	\$229	15	\$3,429	\$227	\$3,408	-\$21	-0.6%	1.4%		
CVS Health Corporation	CVS	12/29/17	\$73	50	\$3,625	\$63	\$3,169	-\$456	-12.6%	1.3%		
McCormick & Company, Incorporated	MKC	12/29/17	\$102	30	\$3,057	\$104	\$3,126	\$69	2.2%	1.2%		
MGP Ingredients, Inc.	MGPI	12/29/17	\$77	40	\$3,075	\$86	\$3,433	\$358	11.6%	1.4%		
Monster Beverage Corporation	MNST	12/29/17	\$63	120	\$7,595	\$56	\$6,712	-\$883	-11.6%	2.7%		
National Beverage Corp.	FIZZ	12/29/17	\$97	40	\$3,898	\$89	\$3,560	-\$337	-8.7%	1.4%		
<b>Energy</b>										<b>4.1%</b>	<b>5.8%</b>	<b>-1.7%</b>
ConocoPhillips	COP	12/29/17	\$55	80	\$4,391	\$59	\$4,741	\$350	8.0%	1.9%		
LyondellBasell Industries NV	LYB	12/29/17	\$110	25	\$2,758	\$101	\$2,520	-\$238	-8.6%	1.0%		
Phillips 66 Partners LP	PSXP	12/29/17	\$52	65	\$3,403	\$48	\$3,096	-\$307	-9.0%	1.2%		
<b>Financials (Real Estate)</b>										<b>20.2%</b>	<b>17.7%</b>	<b>2.5%</b>
American Tower Corporation	AMT	12/29/17	\$143	50	\$7,134	\$142	\$7,108	-\$25	-0.4%	2.8%		
Berkshire Hathaway Inc. Class B	BRK.B	12/29/17	\$198	20	\$3,964	\$195	\$3,910	-\$55	-1.4%	1.6%		
Chubb Limited	CB	12/29/17	\$146	45	\$6,576	\$134	\$6,036	-\$540	-8.2%	2.4%		
E*TRADE Financial Corporation	ETFC	12/29/17	\$50	67	\$3,321	\$55	\$3,701	\$380	11.4%	1.5%		
Ebix, Inc.	EBIX	12/29/17	\$79	47	\$3,725	\$74	\$3,480	-\$244	-6.6%	1.4%		
Everest Re Group, Ltd.	RE	12/29/17	\$221	25	\$5,532	\$254	\$6,356	\$825	14.9%	2.5%		
JPMorgan Chase & Co.	JPM	12/29/17	\$107	50	\$5,347	\$109	\$5,455	\$108	2.0%	2.2%		
Morgan Stanley	MS	12/29/17	\$52	70	\$3,673	\$53	\$3,713	\$40	1.1%	1.5%		
Preferred Bank	PFBC	12/29/17	\$59	40	\$2,351	\$63	\$2,524	\$173	7.3%	1.0%		
Radian Group Inc.	RDN	12/29/17	\$21	300	\$6,183	\$19	\$5,742	-\$441	-7.1%	2.3%		
Travelers Companies, Inc.	TRV	12/29/17	\$136	20	\$2,713	\$137	\$2,745	\$32	1.2%	1.1%		

## Year to Date Performance

Portfolio as of 04/08/2018

Name	Ticker	Beginning Date	Beginning Price	Number of Shares	Beginning Value	Current Prices	Current Market Value	Gain (Loss)	Return	% of Portfolio	% of SPX	% Over (Under) SPX
<b>Healthcare</b>										<b>12.3%</b>	<b>14.1%</b>	<b>-1.8%</b>
AbbVie, Inc.	ABBV	12/29/17	\$97	25	\$2,418	\$90	\$2,245	-\$173	-7.2%	0.9%		
Anthem, Inc.	ANTM	12/29/17	\$225	25	\$5,625	\$225	\$5,620	-\$6	-0.1%	2.2%		
Biogen Inc.	BIIB	12/29/17	\$319	15	\$4,779	\$258	\$3,865	-\$914	-19.1%	1.5%		
Cigna Corporation	CI	12/29/17	\$203	40	\$8,124	\$168	\$6,713	-\$1,411	-17.4%	2.7%		
Gilead Sciences, Inc.	GILD	12/29/17	\$72	50	\$3,582	\$73	\$3,671	\$89	2.5%	1.5%		
Intuitive Surgical, Inc.	ISRG	12/29/17	\$365	15	\$5,474	\$397	\$5,948	\$474	8.7%	2.4%		
UnitedHealth Group Incorporated	UNH	12/29/17	\$220	13	\$2,866	\$224	\$2,911	\$46	1.6%	1.2%		
<b>Industrials</b>										<b>11.9%</b>	<b>10.1%</b>	<b>1.8%</b>
A. O. Smith Corporation	AOS	12/29/17	\$61	60	\$3,677	\$63	\$3,790	\$113	3.1%	1.5%		
Exponent, Inc.	EXPO	12/29/17	\$71	60	\$4,266	\$79	\$4,764	\$498	11.7%	1.9%		
Graco Inc.	GGG	12/29/17	\$45	150	\$6,783	\$45	\$6,764	-\$19	-0.3%	2.7%		
Illinois Tool Works Inc.	ITW	12/29/17	\$167	22	\$3,671	\$153	\$3,357	-\$314	-8.5%	1.3%		
Installed Building Products, Inc.	IBP	12/29/17	\$76	75	\$5,696	\$59	\$4,436	-\$1,260	-22.1%	1.8%		
Southwest Airlines Co.	LUV	12/29/17	\$65	125	\$8,181	\$55	\$6,911	-\$1,270	-15.5%	2.7%		
<b>Information Technology</b>										<b>21.2%</b>	<b>26.0%</b>	<b>-4.8%</b>
Accenture Plc Class A	acn	12/29/17	\$153	20	\$3,062	\$147	\$2,948	-\$114	-3.7%	1.2%		
Adobe Systems Incorporated	ADBE	12/29/17	\$175	25	\$4,381	\$219	\$5,465	\$1,084	24.7%	2.2%		
Alphabet Inc. Class A	GOOGL	12/29/17	\$1,053	5	\$5,267	\$1,010	\$5,050	-\$217	-4.1%	2.0%		
Alphabet Inc. Class C	GOOG	12/29/17	\$1,046	5	\$5,232	\$1,007	\$5,035	-\$197	-3.8%	2.0%		
Apple Inc.	AAPL	12/29/17	\$169	35	\$5,923	\$168	\$5,893	-\$30	-0.5%	2.3%		
Arista Networks, Inc.	ANET	12/29/17	\$236	30	\$7,067	\$259	\$7,762	\$694	9.8%	3.1%		
Microsoft Corporation	MSFT	12/29/17	\$86	35	\$2,994	\$90	\$3,158	\$164	5.5%	1.3%		
NVIDIA Corporation	NVDA	12/29/17	\$194	23	\$4,451	\$214	\$4,928	\$477	10.7%	2.0%		
Skyworks Solutions, Inc.	SWKS	12/29/17	\$95	20	\$1,899	\$96	\$1,911	\$12	0.6%	0.8%		
Synopsys, Inc.	SNPS	12/29/17	\$85	47	\$4,006	\$81	\$3,825	-\$181	-4.5%	1.5%		
Visa Inc. Class A	V	12/29/17	\$114	63	\$7,183	\$118	\$7,415	\$232	3.2%	2.9%		
<b>Materials</b>										<b>2.7%</b>	<b>3.0%</b>	<b>-0.3%</b>
Albany International Corp. Class A	AIN	12/29/17	\$61	50	\$3,073	\$63	\$3,173	\$100	3.3%	1.3%		
Simpson Manufacturing Co., Inc.	SSD	12/29/17	\$57	64	\$3,674	\$57	\$3,636	-\$38	-1.0%	1.4%		
<b>Utilities</b>										<b>4.4%</b>	<b>3.1%</b>	<b>1.3%</b>
Avangrid, Inc.	AGR	12/29/17	\$51	73	\$3,692	\$51	\$3,721	\$28	0.8%	1.5%		
NextEra Energy, Inc.	NEE	12/29/17	\$156	30	\$4,686	\$163	\$4,883	\$197	4.2%	1.9%		
WEC Energy Group Inc	WEC	12/29/17	\$66	40	\$2,657	\$63	\$2,522	-\$136	-5.1%	1.0%		
<b>Other</b>										<b>2.0%</b>		
Vanguard Extended Market Index Fd Admiral Shs	VEXAX	12/29/17	\$85	61.262	\$5,193	\$84	\$5,120	-\$72	-1.4%	2.0%		
						<b>Stocks</b>	<b>\$247,076</b>	<b>\$ (2,142.49)</b>				
						<b>Cash</b>	<b>\$ 4,578.32</b>			<b>1.8%</b>		
						<b>Portfolio</b>	<b>\$251,654.32</b>			<b>100.0%</b>		

**DISCLAIMER:**

All of the following research was completed by students for academic purposes. No content should be interpreted as investment advice. Any forward-looking statements are solely the opinion of the author, and should not be used for any investment decisions.

# Consumer Discretionary

## Starbucks Corporation (SBUX)

**Analyst:** Zachary Reiss

*Note: All data, such as price history and charts, was pulled using Factset Research Systems*

Starbucks Corporation, traded under “SBUX”, operates within the Consumer Services Sector through the Restaurant Industry. Starbucks segments its business geographically through the Americas, China/Asia Pacific, Europe, the Middle East, and Africa. Approximately 74% of their revenue comes from the United States.

YTD, SBUX has gained about 3.5% (graphed below) relative to the S&P 500 (SPX), which saw a loss of 1.08%. Month to date, SBUX saw a gain of 5.07% relative to the SPX's -1.73%.

On January 25<sup>th</sup>, 2018, Starbucks reported earnings for Q1'18 earnings of \$0.58 EPS (ex. Extraordinary items), which surpassed analyst estimates of \$0.57EPS by just a penny. The firm also reported Q1'18 revenue of \$6.07 billion, showing quarterly growth of nearly 6%, but still fell short of analyst expectations of \$6.18 billion.

After Starbucks missed earnings expectations (marked by arrow), we can see in the chart above that there was a sharp sell-off fueled by a large amount of volume.

According to guidance by the firm's 10Q, revenue is expected to grow between 9% and 11% for FY18, driven by 2,300 new stores (globally). Earnings Per Share is expected to be between \$3.32 and \$3.36 for FY18. As of April 4<sup>th</sup>, 2018, SUBX is priced at \$58.83 and has a target price of \$64.42, which indicates a potential upside of 9.5%.



**DISCLAIMER:** All articles are written strictly for educational purposes, not for investment decisions. All forward-looking statements are simply opinion and not investment advice made by the author.

# Consumer Discretionary

## The Walt Disney Company. (DIS)

**Analyst:** Ryan Busch

The Walt Disney Company, traded under “DIS” operates within the Mass media Entertainment industry through six major segments media networks, parks, experiences and consumer products, studio entertainment, direct-to-consumer and international. The corporation is segmented by its media networks, parks & resorts, studio entertainment and consumer products/interactive media, accounting for 42.6%, 33.4%, 15.2%, and 8.7% of total revenue for 2017.

YTD, DIS has lost 6.63% (presented below) relative to the consumer staples sector ETF, XLP, which has lost about 7.46.

Month to date, Disney has lost 1.43% relative to XLP’s -2.34%.

Disney’s reported a drop in overall revenue (-0.77) for FY17, However, they reported Q1’18 earnings of \$1.89EPS vs. the expected \$1.69 and generated their largest sales revenue on record of \$15.35B, an uptick of 3.8% from Q1’17.

Disney is launching a new streaming network in 2019 that will it compete with Netflix/Amazon prime delivering Movies, Television shows and sporting events (MLS, MLB, Boxing, PGA Tour) through its subsidiary ESPN. It also will continue to reap the rewards of the successful movie franchises Star Wars and Marvel series who combined have generated 7.6B over the last six years. And with the introduction of the Pandora-The World of Avatar, Toy Story land and Star Wars land (2019) to Disney theme parks, it’s possible Disney could surpass the \$135.5 target price generated by FactSet representing a potential 33.8% upside.<sup>1</sup>

*DIS data by YCharts*

1. FactSet Research Systems, DIS

2.The Walt Disney Company Annual 10K’17



**DISCLAIMER:** All articles are written strictly for educational purposes, not for investment decisions. All forward-looking statements are simply opinion and not investment advice made by the author.

# Consumer Discretionary

## Netflix, Inc. (NFLX)

**Analyst:** Bowman Rathe

*Note: All data, such as price history and charts, was pulled using FactSet Research Systems*

Netflix, Inc., trades under “NFLX,” which operates within the consumer discretionary sector through the three segments of Domestic streaming, International streaming, and Domestic DVD.

In a year, (from April 2017 to April 2018), NFLX has gained about 96% (presented below) compared to the Consumer Discretionary sector which has gained about 0.79%.

NFLX reported Q4'17 of \$0.41EPS, which is exactly in line with the reported quarterly earnings. Netflix is a company that is growing extremely fast as their earnings in the year-ago period was only 15 cents per share. Shares of Netflix skyrocketed after the Q4'17 were released as it jumped more than 8 percent after hours. It pushed the market capitalization for the company a little above 100 billion for the first time ever for the company as it added 8.33 million subscribers in the fourth quarter.



Company reported Q4'17 revenue of \$3.29B which beat estimates by \$10M. That compares with revenue of \$2.48B in the year-ago period which is a massive increase. Netflix and all the FANG stocks sold off the past three weeks due to Facebook's data security issues. Netflix also plans to spend \$8B in content in 2018 and CEO Reed Hastings content spending to continually rise in 2019 and 2020. Netflix expects negative free cash flow of \$3B to \$4B in 2017. However, the company believes that these big investments on content will have positive impacts because consumers will be provided higher quality services.

In Netflix's note to shareholders, operating Income is expected to grow by \$362 in FY18. Total membership for FY18 is also expected to grow by 6.58. As of 3/29, Netflix is priced at \$295.35 and is expected to lower to \$252.72 which represents about a 14.43% downside. This estimate is based on the price targets of 49 Wall Street analysts.

1. <https://www.cnn.com/2018/01/22/netflix-earnings-q4-2017.html>

2. <https://www.reuters.com/article/us-usa-stocks/facebook-amazon-buoy-wall-st-as-trade-concerns-cool-idUSKCN1HC1EQ>

3. <https://ir.netflix.com/static-files/oco60a3f-d903-4eb9-bde6-bf3e58761712>

**DISCLAIMER:** All articles are written strictly for educational purposes, not for investment decisions. All forward-looking statements are simply opinion and not investment advice made by the author.

# Consumer Discretionary

## Alibaba Group Holding Ltd. (BABA)

**Analyst:** Fred Gladis

*Note: All data, such as price history and charts, was pulled using FactSet Research Systems*

Alibaba Group Holding Ltd., traded under “BABA,” operates within the consumer discretionary sector and engages in providing online and mobile marketplaces in retail and wholesale trade.<sup>1</sup> The business is segmented by its Core Commerce, Digital Media & Entertainment, Cloud Computing, Innovation Initiatives & Others, which accounted for 84.6%, 9.3%, 4.2%, and 1.9% of total 2017 revenue, respectively.<sup>2</sup>

YTD, BABA has gained only 0.97%, relative to the Consumer Discretionary Sector ETF, XLY, which has gained 3.69%.<sup>3</sup>

Month to date, BABA has lost 4.27%, relative to XLY’s loss of 1.97%.

At the end of its 3rd quarter, Alibaba showed promising results. Revenue saw an increase of 56% year-over-year, while revenue from core commerce increased 57%. Revenue from cloud computing increased 104%, and revenues from Digital media and Entertainment increased 33%. Revenue from innovation initiatives and others decreased 9%.<sup>4</sup>

### News:

On April 2nd, 2018, Alibaba Group Holding Ltd. announced that the company would acquire all outstanding shares that it does not already own in Ele.me, a leading online delivery and local services platform in China. The enterprise value of Ele.me is currently at US\$9.5 billion. Alibaba and its affiliate Ant Small and Micro Financial Services Group co., Ltd. currently own 43% of the outstanding voting shares of Ele.me. Daniel Zhang, CEO of Alibaba group, said, “Looking forward, Ele.me can leverage Alibaba’s infrastructure in commerce and find new synergies with Alibaba’s diverse businesses to add further momentum to the New Retail Initiative.”<sup>5</sup>



- 1.FactSet Research Systems, BABA
- 2.FactSet Research Systems, BABA
- 3.CNN Money
- 4.Alibaba Group December Quarter 2017 Results
- 5.Alibaba Group Press Release

**DISCLAIMER:** All articles are written strictly for educational purposes, not for investment decisions. All forward-looking statements are simply opinion and not investment advice made by the author.

# Consumer Discretionary

## LGI Homes, Inc. (LGIH)

**Analyst:** Matt McShain

*Note: All data, such as price history and charts, was pulled using FactSet Research Systems*

LGI Homes, Inc. engages in the design, construction, marketing, and sale of new homes. It also deals with the residential land development business.<sup>1</sup> It operates through the following divisions: Texas, Southwest, Southeast, Florida, and Northwest.<sup>1</sup> The business segment is homebuilding which accounted for 100% of total 2017 revenue.<sup>1</sup>

YTD, LGIH has lost 2.43% relative to the Consumer Discretionary ETF, XLY, which has gained about 1%.<sup>1</sup>

LGIH is priced at \$73.21 and has a FactSet target price of \$76.60, representing a potential upside of 4.63%.<sup>1</sup>



1. FactSet Research Systems, LGIH

**DISCLAIMER:** All articles are written strictly for educational purposes, not for investment decisions. All forward-looking statements are simply opinion and not investment advice made by the author.

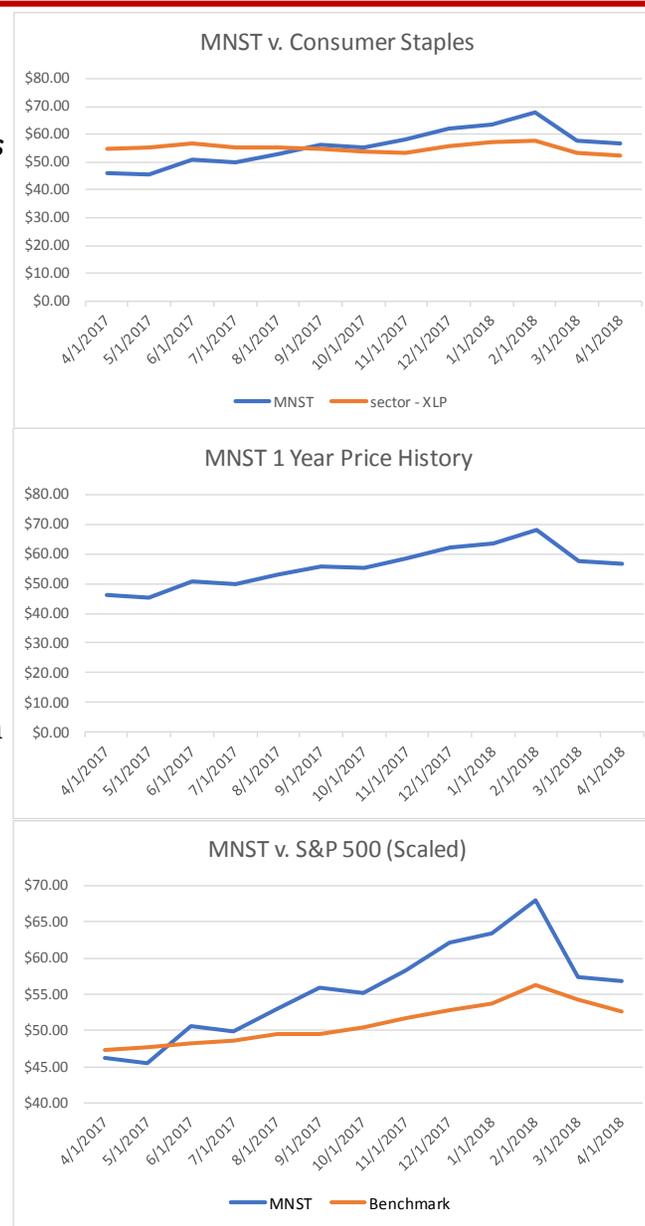
# Consumer Staples

## Monster Beverage Co.(MNST)

**Analyst:** Jennifer Sterner

*Note: All data, such as price history and charts, pulled using FactSet Research Systems*

Over the past year, MNST has been a big mover, up 24.73% to a current price of \$57.29 per share. However, many analysts believe this holding to be undervalued and since the start of 2018 MNST has lost 9.47%. This is not unfortunate news for potential buyers however, since a cheaper price tag would lead to a more profitable, long-run buy. In fact, due to the stock's consistent price volatility, many investors leveraged the artificially low price as an opportunity to enter. For example, MNST reached a peak daily volume of 14,689,400 shares exchanged on March 1<sup>st</sup>, 2018, in response to a 11.3% decline from the previous day. In the company's earnings call following the fourth quarter of 2017, Monster Beverage reported an EPS of \$0.35, up a whopping \$0.30 from the previous year. Overall sales increased 7.5%, while foreign revenues increased by 8.7% on their own. Although the sales increase was less than expected, management attributed the loss to inventory issues by bottling partners in Europe, Chile, and Japan. Yet, future earnings are positive for the firm, supported by Nasdaq's expectation for Monster's profit to grow by 47.47% over the next few years. Especially since its partnership agreement with Coca-Cola (KO) in 2015 is still relatively young, Monster's growth will certainly rise as it continues to adopt and expand into Coca-Cola's global distribution system.



**DISCLAIMER:** All articles are written strictly for educational purposes, not for investment decisions. All forward-looking statements are simply opinion and not investment advice made by the author.

# Consumer Staples

## National Beverage Corp. (FIZZ)

**Analyst:** Zachary Reiss

*Note: All data, such as price history and charts, pulled using FactSet Research Systems*

National Beverage Corporation, traded under “FIZZ”, operates within the Consumer Non-durables Sector through the Non-Alcoholic Beverages Industry. FIZZ manufactures and sells a portfolio of beverage products including Shasta, Faygo, and LaCroix.

YTD, FIZZ suffered a -12% loss (graphed below) relative to the Consumer Discretionary Select Sector SPDR ETF (XLY), which has seen a 2.85% gain since 2018 began.

Month to date, FIZZ suffered a loss of -4.97% relative to XLY’s -2.67%.

On March 8th, 2018, FIZZ reported earnings for Q3’18.

The firm reported per share earnings (ex. Extraordinary items) of \$0.88 which surpassed analyst estimates of \$0.84. The firm also reported Q3’18 revenue of \$227.5 million, which missed analyst estimates of \$231.1 million and decreased by 6% from the previous quarter. In the trading days following the earnings call, the firm’s stock experienced a sharp sell-off driven by high volume.

According to consensus estimates by FactSet, Earnings Per Share is expected to be between \$0.85 and \$.88. Analysts expect revenue to grow to \$245.9 million for Q4’18, which ends on April 30th. As of 3/12/18, FactSet Analysts set a target price of \$104.67, which indicates a potential upside of 19.1%.



**DISCLAIMER:** All articles are written strictly for educational purposes, not for investment decisions. All forward-looking statements are simply opinion and not investment advice made by the author.

# Consumer Staples

## McCormick & Company, Incorporated (MKC)

**Analyst:** Gabriella Youshock

McCormick & Company, Incorporated operates in the manufacture, market, and distribution of spices, seasoning mixes, condiments, and other flavorful products to retail outlets, food manufacturers, and foodservice businesses. McCormick & Company often operates through selling to grocery stores, mass merchandisers, warehouse clubs, discount and drug stores. There are a few different brands under McCormick & Company, which include McCormick, Lawry's, Zatarain's, Simply Asia, Thai Kitchen, and Ducros to name a few.

A competitor company to MKC is IFF. IFF is an American corporation producing flavors and fragrances and cosmetic actives, which it markets globally. YTD, IFF has lost -11.29%. While, MKC YTD has gained 3.21%. MTD, IFF has gained 0.23%. MTD, MKC has gained 1.14%.

MKC earned 4.84 billion this year in total revenue. In Q4 2017, McCormick had an adjusted operating income of \$235.3 million. This income was an overall increase of 28% since Q4 of 2016. Since last November, MKC has earned \$702.4M in operating income.



1. Chart pulled using YahooFinance!
2. FactSet Research, MKC
3. FactSet Research, IFF
4. MKC Annual Report

**DISCLAIMER:** All articles are written strictly for educational purposes, not for investment decisions. All forward-looking statements are simply opinion and not investment advice made by the author.

# Energy

## LyondellBasell Industries NV (LYB)

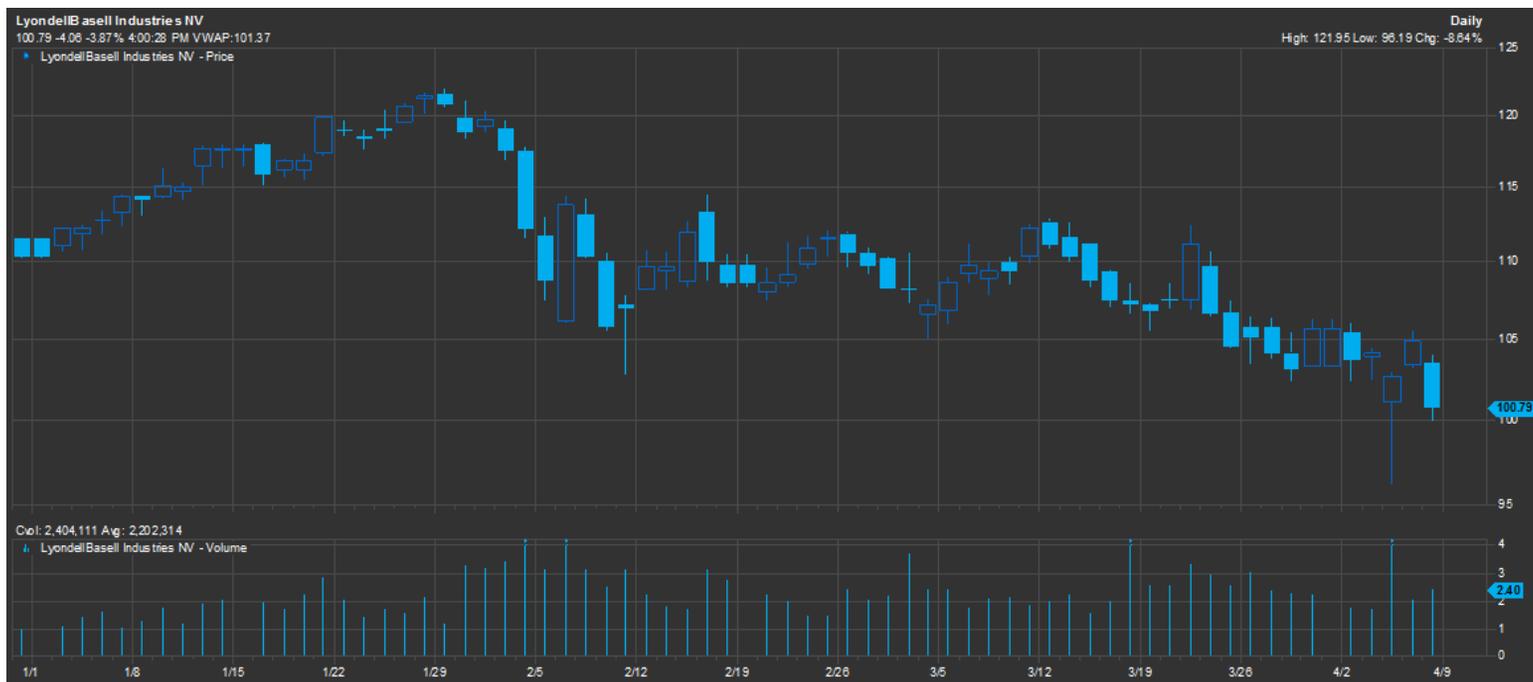
**Analyst:** Matt McShain

*Note: All data, such as price history and charts, was pulled using FactSet Research Systems*

LyondellBasell Industries NV engages in the refinery and production of chemicals and plastics. The company was founded in December 2007 and is headquartered in London, the United Kingdom. The business is segmented into Olefins and Polyolefins (Asia), Intermediates and Derivatives, Olefins and Polyolefins (Americas), Refining, and Technology which accounted for 35%, 24%, 22%, 18%, and 1% of total 2017 revenue.<sup>1</sup>

YTD, LYB has lost 8.64% relative to the Energy ETF, XLE which has lost about 8%.<sup>1</sup>

LYB is priced at \$100.79 and has a FactSet target price of \$117.55, representing a potential upside of 16.62%.<sup>1</sup>



### 1. FactSet Research Systems, LYB

**DISCLAIMER:** All articles are written strictly for educational purposes, not for investment decisions. All forward-looking statements are simply opinion and not investment advice made by the author.

# Energy

## ConocoPhillips (COP)

**Analyst:** Matt McShain

*Note: All data, such as price history and charts, was pulled using FactSet Research Systems*

ConocoPhillips engages in the exploration, production, transportation and marketing of crude oil, bitumen, natural gas, natural gas liquids and liquefied natural gas on a worldwide basis. It operates through the following geographical segments: Alaska; Lower 48; Canada; Europe and North Africa; Asia Pacific and Middle East. The company was founded on August 30, 2002 and is headquartered in Houston, TX.<sup>1</sup> The business is segmented by its crude oil, natural gas, natural gas liquids, and other which accounted for 46%, 37%, 4%, and 14% of total 2017 revenue.<sup>1</sup>

YTD, COP has gained 7.96% relative to the Energy ETF, XLE, which has lost about 8%.<sup>1</sup>

COP is priced at \$59.26 and has a FactSet target price of \$66.10, representing a potential upside of 11.5%.<sup>1</sup>



1. FactSet Research Systems, COP

**DISCLAIMER:** All articles are written strictly for educational purposes, not for investment decisions. All forward-looking statements are simply opinion and not investment advice made by the author.

# Financials

## Berkshire Hathaway, Inc. Class B (BRK.B)

**Analyst:** Priest Cross

*Note: All data presented, such as statistics and charts, were pulled through the Factset Research Systems*

Berkshire Hathways inc. Class B (BRK.B) is a publicly traded sub stock of the conglomerate Berkshire Hathways Inc It is sectioned innumerably into a myriad of different divisions because of its holdings such as utilities, Insurance, Real Estate, Retail, Finance, Investments, manufacturing and other divisions all housed under the Berkshire Hathaway holdings firm. This stock has consistent returns being a growth based stock. Warren Buffett has called for his stockholders of both Berkshire Hathways to reconsider their immediate reaction to the stock prices and perceived growth due to the numbers being skewed by the new GAAP laws on projected assets. This warning actually advised against believing the upswing in the stock that profited from these new regulations by a few million unearned, but needing to be reported. As per usual of Warren Buffett, he advises stockholders to pay closest attention to earnings per share (EPS) to signify how much growth has truly stemmed from the company.

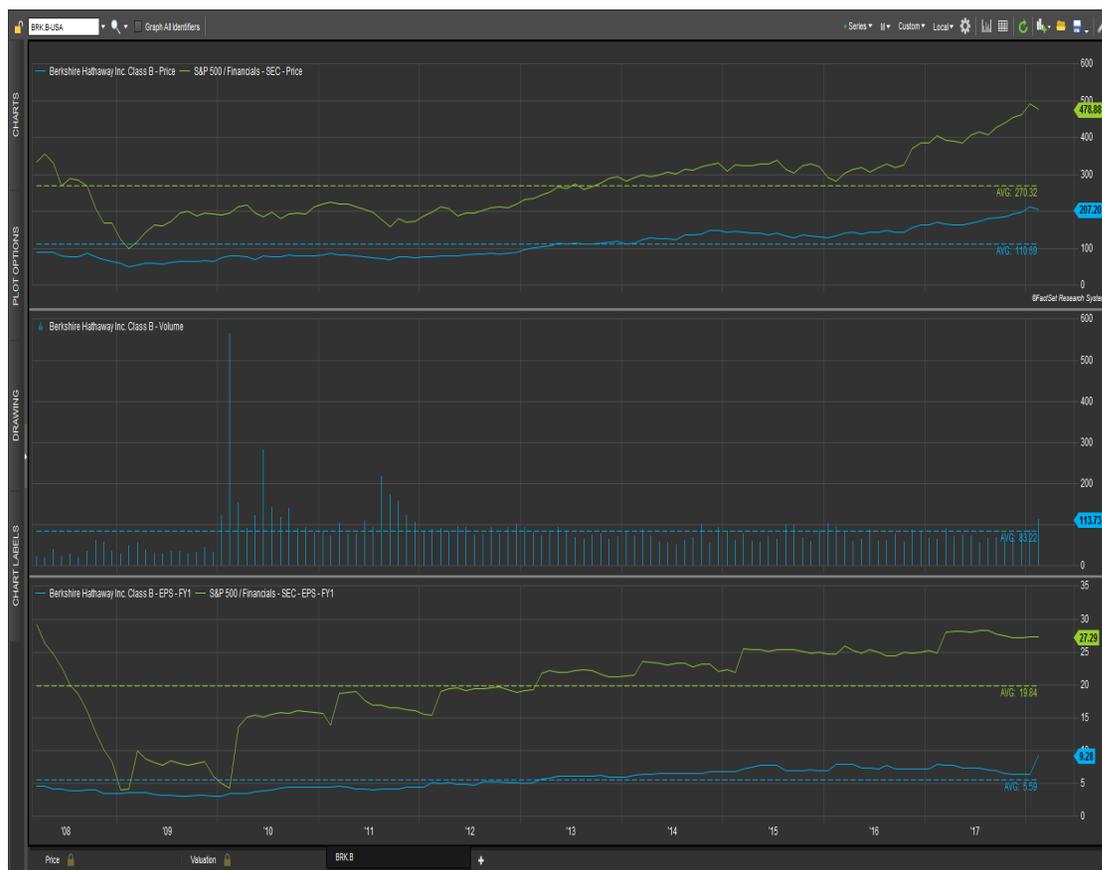
YTD, BRK.B has lost .13% in total returns in comparison to a heavily dropping market loss of 1.75% on the SP50-SPX. This is impart due to potential trade wars, internal government conflicts, increased volatility within wall street, and FANG technology stocks plummeting. In addition the market has lost most of its gains as of April 6, 2018. MTD, BRK.B is down 1.02% in March in comparison to the ETF, XLF which had 2.82% losses.

In the Q4' 17, there was reported a closing price of \$198.22 per share with an EPS of \$18.22. In addition, there was a net earning of \$45.35B in the total of Berkshire Hathaway which is an upswing of 185.67% from the year prior.

It looks as though Berkshire Hathaway has found stability in a very tumultuous time of the market. The increase frenzy over selloffs and increase in acquisitions market wide have created massive swings in the economy. Looking forward with Charlie Munger and Warren Buffett's mantra expressed in his letter to investors, "The less the prudence with which others conduct their affairs, the greater the prudence with which we must conduct our own." It is likely that the company will keep looking for steady and gradual upside through continual growth and stable investments or acquisitions.<sup>1</sup>

1. Berkshire Hathaway 10-k Feb '17

Chart: Factset Live Data Table Instrument



Source: FactSet Research Systems, Inc.  
Saint Joseph's University > ST\_JOSEPHS > PERSONAL-Academic Workspace > Charting

**DISCLAIMER:** All articles are written strictly for educational purposes, not for investment decisions. All forward-looking statements are simply opinion and not investment advice made by the author.

# Financials

---

## **The Travelers Companies, Inc. (TRV)**

**Analyst:** Adam Lautman

*Note: All data presented, such as statistics and charts, were pulled through the Factset Research Systems*

The Travelers Companies, Inc. trades under the ticker symbol TRV on the NYSE. TRV provides casualty and property insurance for personal (home and auto), business, and specialty policies. TRV operates within the financial sector; the Financial Sector's ETF is traded under the ticker symbol XLF. The bulk of TRV's revenue stems from its *business* consumers' policies, accounting for roughly 54.4% of the company's gross revenue in 2017, with an emphasis on catering to the middle-market segment (mid-sized firms). The middle-market policies alone attribute nearly 30% of TRV's 2017 gross revenue.

In market news, as of March 20, 2018, the EU Council and US regulatory agencies have concluded an agreement providing a stronger regulatory framework for insurers and reinsurers. The agreement enables improved protection for policyholders and other consumers through cooperation between supervisors and the exchange of information.

TRV had an eventful month in March of 2018. They introduced a new insurance product to the market called " Traverse ". Traverse is offered exclusively online and custom fit to the needs of the insured party. Tailored to millennials, Traverse offers policies for personal belongings and incidental costs accrued during " experiences " (reimbursement for vacation expenses; i.e., canceled flights leading to additional hotel expenses). The idea of Traverse is to maximize on its potential customer base; a large portion of millennials do not own cars and/or homes so the need for auto and home policies has not kept up with the increasing rate of population. Traverse looks to be a substitute for renter insurance policies and to supplement the traveling millennial.

In other news this past month, TRV partnered with Cedars-Sinai, Samsung, Bayer, and AppliedVR to begin testing Virtual Reality(VR) technology in the hopes of alleviating the reliance of opiates in the medical field. Opiate addiction has skyrocketed over the last decade in the U.S. The new VR tech to be tested in the coming year looks to replace the need for opiates during a patient's recovery of injury or surgery so to avoid the potential gateway to addiction.

YTD, TRV is trading 3 points above its parent Financial Sector ETF, XLF, as of April 3, 2018. TRV has gained roughly 1% in value while XLF is trading about 2% below its fiscal year beginning price. Though pricing has been relatively stagnant for both TRV and XLF year-to-date, both have seen substantial upticks over the last year, beginning from March 31, 2017 through April 3, 2018; TRV and XLF have increased their market values by 13.65% and 15.17% respectively.

TRV increased its net written premiums by 5% in 2017 but absorbed a 28% decline in its EPS. TRV reported an annual EPS of \$7.28 in 2017, compared to \$10.12 in 2016. Although its EPS has declined, the company's net written premiums revenue stream increased from \$25 billion in 2016 to over \$26 billion in 2017. The driving force behind TRV's EPS slump in 2017 is attributed to the major payouts the company absorbed, totaling \$1.3 billion, compared to the \$576 million paid out in 2016. The \$691 million difference in annual payouts represents nearly 34% of TRV's annual net income in 2017.

TRV's 2017 net income totaled over \$2.05 billion representing an 8.7% ROE for the fiscal year. Its book value increased by 5% from 2016, ending the fiscal year of 2017 with a book value of \$87.46. Market value priced the company's shares at \$135.64 as of December 29, 2017, placing investors confidence 55% above the company's book value. Analysts suggest the company to bounce back to its \$10/\$11 EPS in 2018, representing a potential 40% increase in the 2018 fiscal year. Going forward, the company looks to continue growing around 3-5% annually after it recuperates its financial balance in 2018.

1. FactSet, TRV
2. <https://finance.yahoo.com/quote/TRV/analysts?p=TRV>

---

**DISCLAIMER:** All articles are written strictly for educational purposes, not for investment decisions. All forward-looking statements are simply opinion and not investment advice made by the author.

# Financials

---

## **Everest RE Group Ltd. (RE)**

**Analyst:** Adam Lautman

*Note: All data presented, such as statistics and charts, were pulled through the Factset Research Systems*

Everest RE Group Ltd., and its affiliate subsidiary companies, is publicly traded on the NYSE under the ticker symbol “RE”. RE operates within the financial sector providing property and casualty insurance. Everest(RE) provides both personal and business insurance policies in conjunction with its *reinsurance* policies. RE relies heavily on its capacity to provide reinsurance. Reinsurance policies account for roughly 70% of the company’s insurance and reinsurance combined revenue.

In recent company news, Everest named Jonathon Zaffino President and CEO of Insurance operations at the beginning of the 2018 fiscal year. Zaffino most recently held the position of President of the North American insurance operations and is now accountable for RE’s global insurance presence.

Q4 of 2017 resulted in a net income of \$571 million, or \$13.85 earnings per share (diluted common stock), compared to the net income of 2016’s Q4 tallying \$373.6 million, or \$9.08 EPS (diluted common stock). 2017’s net income generated \$469 million, or \$11.36 EPS, compared to \$996.3 million and \$23.68 respectively. Year-end fiscal earnings in 2017 drop-off compared to 2016 should not alarm investors; RE’s balance sheets and solvency are in good health.

The company increased gross written premiums by 19% in the fiscal year 2017, however Everest(RE) incurred significant losses totaling \$1.3 billion resulting from the California wildfires. Even with the catastrophic payouts in California, Everest(RE) generated a 6% ROE and an increased book value of 4% per share common stock in 2017. The company’s book value listed at \$204.95 while its market value closed at \$221.26 for the 2017 fiscal year.

YTD, Everest(RE) has increased its market value by just over 16%, trading at \$256.82 as of 3/29/18, while the Financial Sector’s ETF, XLF, has traded at a loss of 1.22%. In market news, the EU Council and US regulatory agencies have finalized an agreement, concluding on March 20, 2018, providing a stronger regulatory framework for insurers and reinsurers. The agreement enables improved protection for policyholders and other consumers through cooperation between supervisors and the exchange of information. Analysts are optimistic with Everest’s(RE’s) future financials as they are estimating an EPS ranging from \$20-\$25 for 2018, with a sales revenue growth ranging between 7-10%.

1. FactSet, RE
2. <https://finance.yahoo.com/quote/RE/analysts?p=RE>

---

**DISCLAIMER:** All articles are written strictly for educational purposes, not for investment decisions. All forward-looking statements are simply opinion and not investment advice made by the author.

# Healthcare

---

## Gilead Sciences, Inc. (GILD)

**Analyst:** Bill Oxenford

Gilead Sciences, Inc., competes within the healthcare sector as a research-based biopharmaceutical developer.<sup>1</sup> It's traded under "GILD", and these operations resulted in Q4'17 revenues of 26.107 billion dollars.<sup>2</sup>

Its performance over the course of the first quarter of 2018 appears to have stagnated. As of April 3, 2018, the price per share of GILD has changed -1.22% from January 3, 2018.<sup>3</sup> This follows and is reflective of GILD's Q4'17 net loss of 3.865 billion dollars.<sup>4</sup>

Despite this lackluster performance, GILD has managed to attract investors. After incurring losses like that, one might think that prospective stockholders would seek greater returns elsewhere. Yet, GILD still manages to stay ahead, with YTD returns coming in at 2.95%.<sup>5</sup> This kind of performance has kept stakeholders optimistic.

Emma Court of Market Watch discusses how GILD appears to have hemorrhaged cash in Q4'17. She writes, "As therapies for the severe viral infection hepatitis C have cured patients, revenues from those products have become less and less reliable."<sup>6</sup> Although, she goes on to indicate that many of GILD's stakeholders continue to support the company, citing their belief that, "Gilead will put its roughly \$28 billion in repatriated cash to work, investing it in acquisitions and partnerships."<sup>6</sup> This, therefore, indicates that GILD may continue to thrive and grow in an increasingly competitive and concentrated Healthcare sector.

[1] - Gilead Sciences, Inc. 2018. About. *Advancing Therapeutics, Improving Lives*. Retrieved from <http://www.gilead.com/about>

[2] - Morningstar. Dec. 2017. Gilead Sciences Inc. *Financials*. Retrieved from <http://financials.morningstar.com/ratios/r.html?t=GILD&region=usa&culture=en-US>

[3] - Morningstar. Apr. 3, 2018. Gilead Sciences Inc. *Chart: 1 Yr*. Retrieved from <http://quotes.morningstar.com/chart/stock/chart.action?t=GILD&region=usa&culture=en-US>

[4] - Morningstar. Dec. 2017. Gilead Sciences Inc. *Income Statement*. Retrieved from [http://financials.morningstar.com/income-statement/is.html?](http://financials.morningstar.com/income-statement/is.html?t=GILD&region=usa&culture=en-US)

[t=GILD&region=usa&culture=en-US](http://financials.morningstar.com/income-statement/is.html?t=GILD&region=usa&culture=en-US)

[5] Morningstar. Apr. 3 2018. Gilead Sciences Inc. *Trailing Total Returns*. Retrieved from [http://performance.morningstar.com/stock/performance-return.action?](http://performance.morningstar.com/stock/performance-return.action?t=GILD&region=USA&culture=en_US)

[t=GILD&region=USA&culture=en\\_US](http://performance.morningstar.com/stock/performance-return.action?t=GILD&region=USA&culture=en_US)

[6] - Court, Emma. Feb 7, 2018. MarketWatch. *Gilead stock climbs 5% as investors bet company is in a trough, not a plateau*. Retrieved from <https://www.marketwatch.com/story/gilead-stock-climbs-5-as-investors-bet-stock-is-in-a-trough-not-a-plateau-2018-02-07>

---

DISCLAIMER: All articles are written strictly for educational purposes, not for investment decisions. All forward-looking statements are simply opinion and not investment advice made by the author.

# Healthcare

## United Health Group (UNH)

**Analyst:** Jeffery Cooper Ludwig

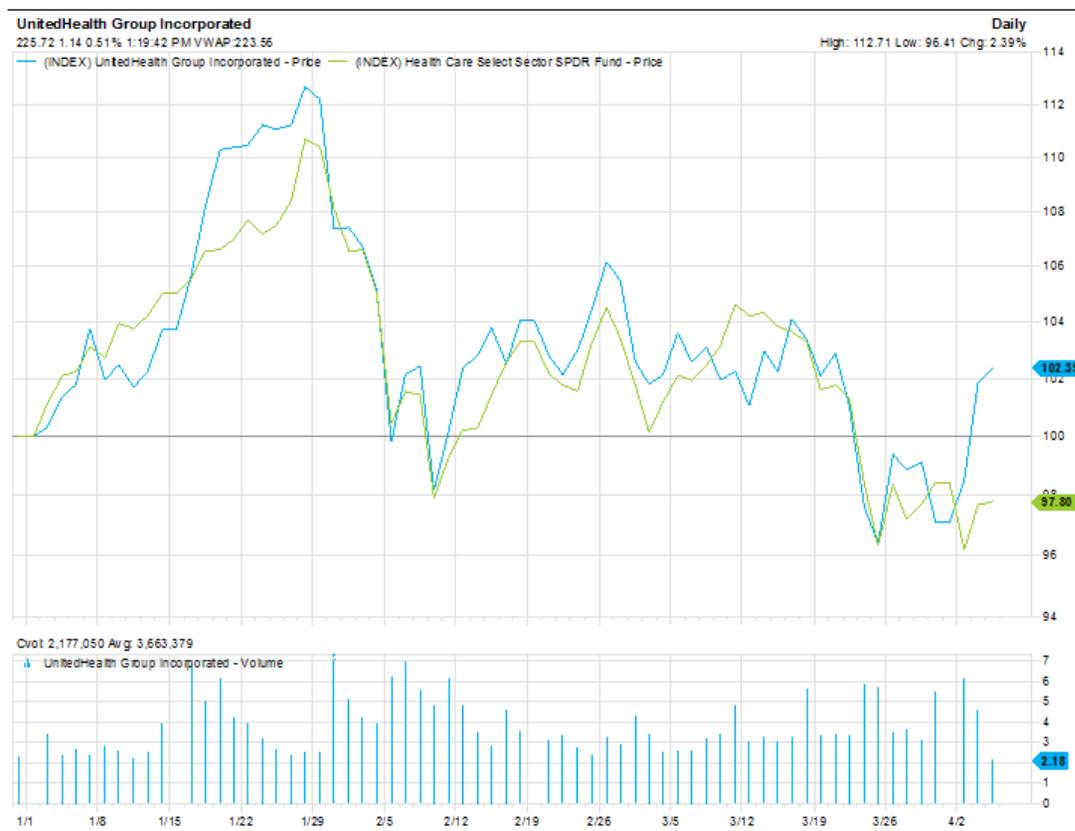
*Note: All data, such as return history and charts, was pulled using FactSet Research Systems*

UnitedHealth Group Incorporated, traded under “UNH”, provides health care coverage, software and data consultancy services in the healthcare sector. UNH undergoes business in the UnitedHealthcare, OptumHealth, OptumInsight, and OptumRx segments.

YTD, UNH has gained just under 3% (presented below) relative to the Healthcare Sector SPDR ETF (XLV) which has lost almost 2%.<sup>1</sup>

Upon an announcement on 4/2/2018 declaring the launch of a pilot program that applies blockchain technology to improve data quality as well as reduce administrative costs, the price of UNH stock has climbed almost \$10 as of 4/4/2018.<sup>1</sup> The technology could help ensure the most current health care provider information is available in health plan provider directories.

UNH has a target price of \$267.95, according to FactSet, and has a current price of \$225.97 as of 4/4/2018 equating to a possible return of 18.58%.<sup>1</sup>



### 1. FactSet Research Systems, UNH

**DISCLAIMER:** All articles are written strictly for educational purposes, not for investment decisions. All forward-looking statements are simply opinion and not investment advice made by the author.

# Healthcare

## Biogen, Inc. (BIIB)

**Analyst:** Jeremy Munoz

*Note: All data, such as return history and charts, was pulled using FactSet Research Systems*

Biogen Inc., traded under “BIIB”, is a global biotechnology company, which focuses on discovering, developing, manufacturing and delivering therapies for neurological, autoimmune and hematologic disorders.<sup>1</sup>

In the past month, BIIB has lost about 5% (shown below) slightly below the United States Biotechnology Index (NBI), which lost about 7%.

YTD BIIB has lost 15.30% compared to the United States Biotechnology Index, which has lost 3.18%.

BIIB Q1 Earnings will be released on 4/24/18. Estimates are \$5.91 for Q1 '18, which is slightly higher than previous Q4 '17 earnings of \$5.26. Estimates for Q4 '17 missed their mark by 3.7%, not showing a positive outlook for upcoming earnings release. The missed mark could have been due to U.S. Interferon revenues experiencing declining trends due to patients transitioning to other oral MS therapies as well as due to higher discounts and allowances.<sup>2</sup>

BIIB is currently focusing on acquiring from Pfizer Inc. (PFE), a Phase 2b AMPA receptor potentiator. This is a major acquisition for the company used for cognitive impairment associated with schizophrenia. The purchase will include a payment of \$75 million with up to \$515 million in additional development, commercialization, and royalties. The deal is expected to close in Q2 of 2018 and shows substantial upside for the company. With more than 20 million people suffering with schizophrenia worldwide and the majority having a cognitive impairment of some kind, this gives BIIB an opportunity for growth in making treatments available to those suffering this disease.<sup>3</sup>



1. FactSet Research Systems, BIIB
2. Zacks Equity Research
3. BusinessWire

**DISCLAIMER:** All articles are written strictly for educational purposes, not for investment decisions. All forward-looking statements are simply opinion and not investment advice made by the author.

# Information Technology

## Microsoft Corporation (MSFT)

**Analyst:** Zachary Reiss

*Note: All data, such as price history and charts, pulled using Factset Research Systems*

Microsoft Corporation, traded under “MSFT”, operates within the Technology Sector through the Software Industry. Microsoft operates through three segments: Productivity and Business Processes, Intelligent Cloud, and More Personal Computing. The Productivity and Business Processes segment accounted for approximately 31% of Microsoft’s revenue for the quarter.

YTD, MSFT has gained about 5.69% (graphed below) relative to the Technology Select Sector SPDR ETF (XLK), which saw a 2.25% gain.

Month to date, MSFT saw a gain of 2.69% relative to XLK’s -4.36%.

On January 31<sup>st</sup>, 2018, Microsoft reported earnings for Q2’18. MSFT reported per share earnings of \$0.96 which surpassed analyst estimates of \$0.86. The firm also reported Q2’18 revenue of \$28.9 billion, which also topped analyst estimates of \$28.4 billion.

Though Microsoft surpassed earnings expectations, the firm’s share price dropped about 2% after the firm’s earnings call, which this analyst believes to be rooted in macroeconomic factors rather than firm-level issues. Within the next ten trading days, Microsoft’s stock shot back up to its pre-earnings price level of approximately \$92.00 per share.

According to consensus estimates by FactSet, Earnings Per Share is expected to be between \$0.85 and \$0.93 for the Q3’18, which ended on March 31<sup>st</sup>. Analysts expect revenue in the company’s 3<sup>rd</sup> Quarter to have grown by 9.4% compared to the same quarter last year. As of April 4<sup>th</sup>, 2018, MSFT is priced at \$92.33 and has a target price of \$105.18 which indicates a potential upside of 13.2%.



**DISCLAIMER:** All articles are written strictly for educational purposes, not for investment decisions. All forward-looking statements are simply opinion and not investment advice made by the author.

# Information Technology

## Alphabet, Inc. Class A (GOOGL)

**Analyst:** Jeffery Cooper Ludwig

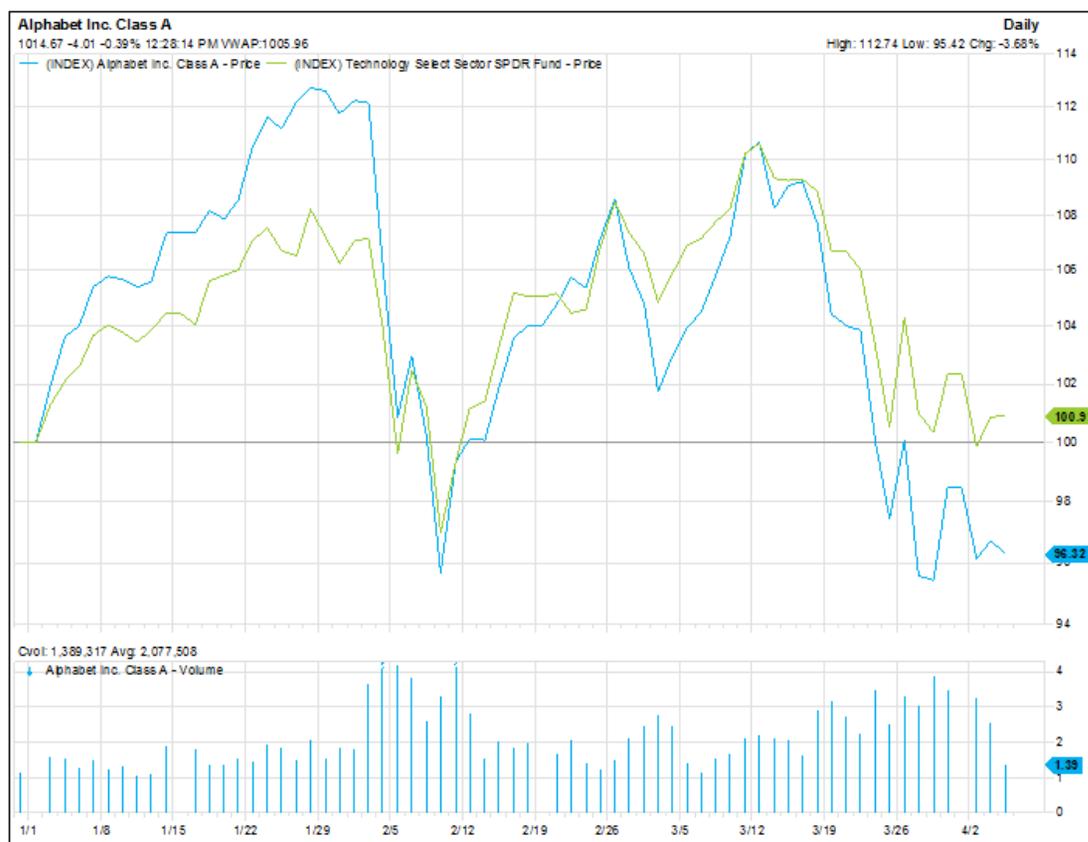
*Note: All data, such as price history and charts, pulled using Factset Research Systems*

Alphabet, Inc. Class A, traded under “GOOGL”, is the parent company of Google, Inc. and conducts business within the internet information provider segment of the technology sector.

YTD, GOOGL has lost about 4% (presented below) relative to the Technology Sector SPDR ETF (XLK) which has gained a little under 1%.<sup>1</sup>

Recently, GOOGL, along with many other tech stocks, has been quite volatile due to increased government scrutiny over the company’s alleged role in allowing misleading information to reach the public eye. In response, GOOGL has announced to pledge \$300 million to combat the spread of misinformation on their online platforms.<sup>2</sup>

As of 4/4/2018, GOOGL is priced at \$1,012.00 and has a FactSet target price of \$1,280.94 representing a potential return of 26.58%.<sup>1</sup>



1. FactSet Research Systems, GOOGL
2. Morningstar, GOOGL News

**DISCLAIMER:** All articles are written strictly for educational purposes, not for investment decisions. All forward-looking statements are simply opinion and not investment advice made by the author.

# Information Technology

## Apple Inc. (AAPL)

**Analyst:** Mario Leone

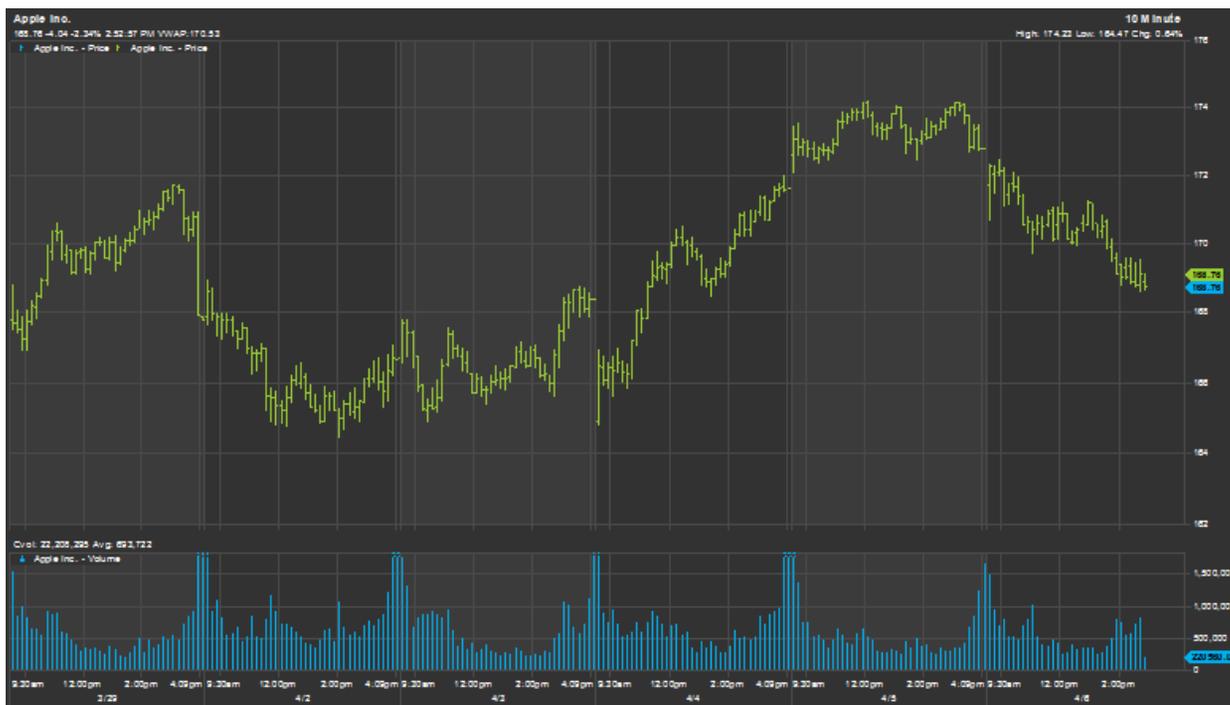
*Note: All data, such as price history and charts, was pulled using FactSet Research Systems*

Apple Inc. traded under “AAPL”, operates within the information technology sector through the manufacturing and trade of phones, computers, laptops, and tablets. The business is segmented by its iPhones (61.6% of 2017 revenues), services (13.1% of 2017 revenues), Macs (11.3% of 2017 revenues), iPads (8.4% of 2017 revenues), and other products (5.6% of 2017 revenues).<sup>1</sup>

YTD, AAPL has lost 0.5% (presented below) compared to the S&P 500 Index loss of 0.40%. During the same period AAPL has not kept up with the growth of the information technology sector ETF, XLK, which has risen 1.42%.<sup>1</sup>

Month to date, AAPL has gained 1.02%, relative to XLK’s 1.61% growth.<sup>1</sup>

Apple Inc. reported 2017 earnings per share of \$9.21, which was an 11.78% growth from 2016.<sup>2</sup> Apple reported Q4 2017 revenue of \$52.6B, which is a 12% increase from Q4 2016.<sup>2</sup> Despite Apple’s strong Q4 performance, we can see a large sell off beginning at the end of January that continued until the middle of February. This selloff was fueled by faults found in the battery of Apple iPhones (Apple’s largest segment). Since the middle of February Apple has begun to rally close to its price prior to the selloff.



According to guidance by Apple’s 10k, operating income for FY18 is estimated to grow by about 15%.<sup>2</sup> The Apple iPhone segment expects a sales increase of 17.7%. As of 4/06/18 AAPL is priced at \$168.38 and FactSet has a target price of \$191.88, this represents a potential upside of 14%.<sup>2</sup>

1.FactSet Research Systems, AAPL

2.AAPL Annual 10K ‘17

**DISCLAIMER:** All articles are written strictly for educational purposes, not for investment decisions. All forward-looking statements are simply opinion and not investment advice made by the author.

# Materials

## Simpson Manufacturing Co. Inc. (SSD)

**Analyst:** Dan Knerr

*Note: All data, such as price history and charts, was pulled using FactSet Research Systems*

Simpson Manufacturing Co. Inc. (SSD) is a manufacturing company that creates construction and building solutions. It produces fastening systems that are used to strengthen, support, and connect wooden pieces in buildings and concrete products used to anchor, repair, and protect concrete and brick applications in buildings.

Year-to-date, SSD has been relatively flat, returning -1.46% so far this year (See chart). XLB, the Materials Select Sector ETF, did -6.31% year-to-date.

In March, SSD gained 3.3%, outperforming its benchmark XLB's -3.5%.

On March 1<sup>st</sup>, the firm reported Q4 '17 EPS of \$.27, compared to analyst estimates of \$.34 per share. This ended up being an earnings miss of \$.07 per share. They reported net sales of \$231.7 million over the same period, beating estimates by \$9.2 million. <sup>2</sup>The chart above shows that after this reporting, shares have been trending upwards.

According to guidance reported in the company's 10K, SSD expects to grow sales at a compound growth rate of 8% going forward, and decrease operating expenses from 31.6% in 2017 to 26%-27% by 2020. This would increase their margins, thus increasing profitability.



1.FactSet Research Systems, SSD

2.SSD Annual 10K '17

**DISCLAIMER:** All articles are written strictly for educational purposes, not for investment decisions. All forward-looking statements are simply opinion and not investment advice made by the author.