

5/4/2021

Tuesday Night Stock Club

BY DOUG GERLACH, PRESIDENT, ICLUBCENTRAL INC. | MAY 2021



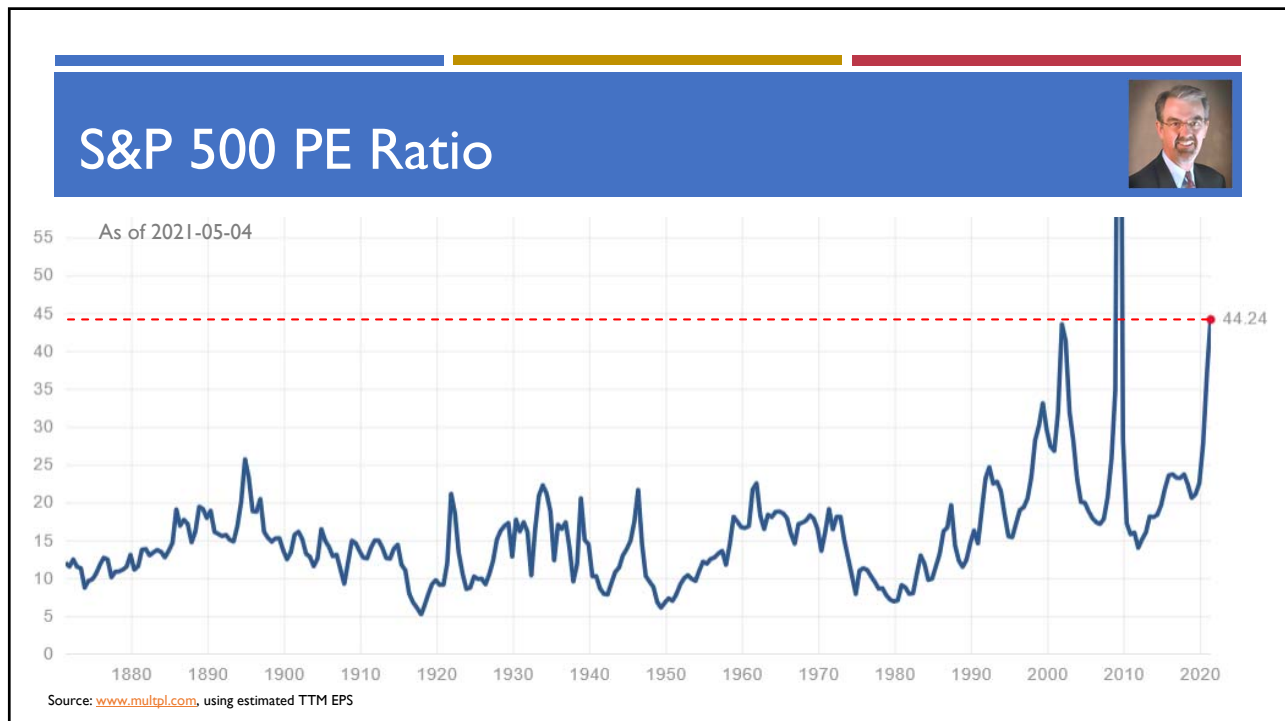
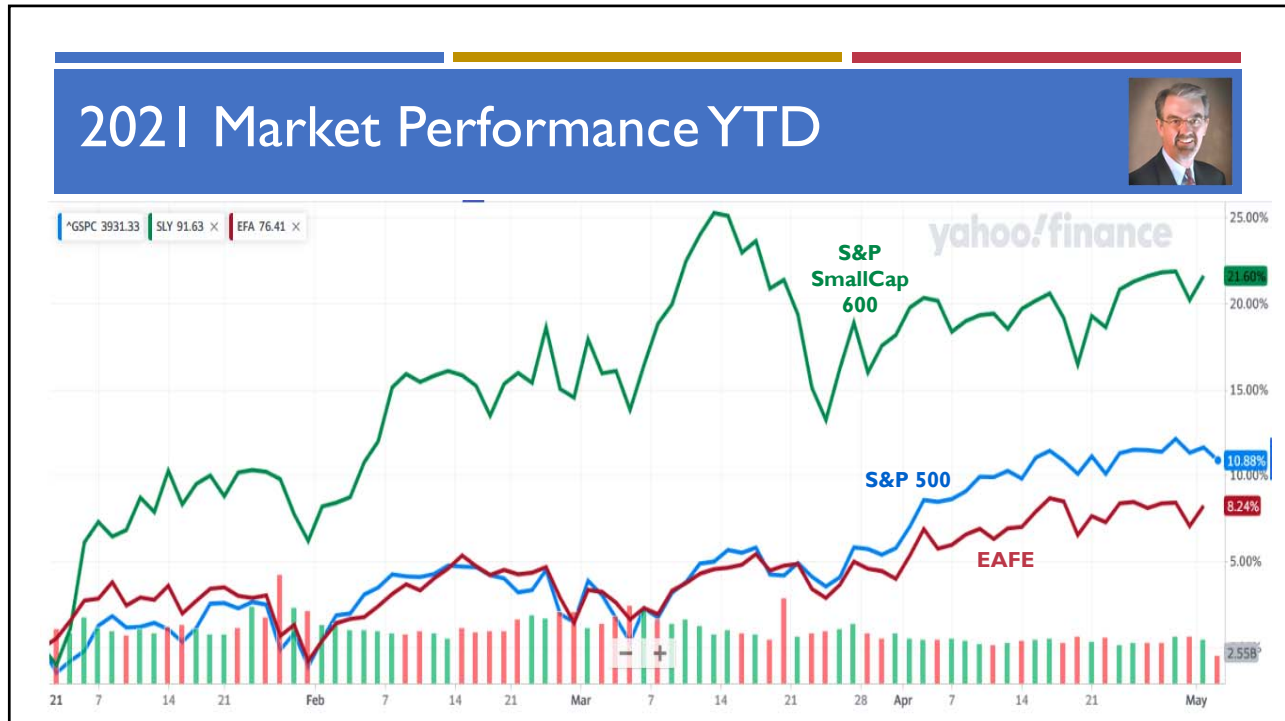
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MARKET MUSINGS



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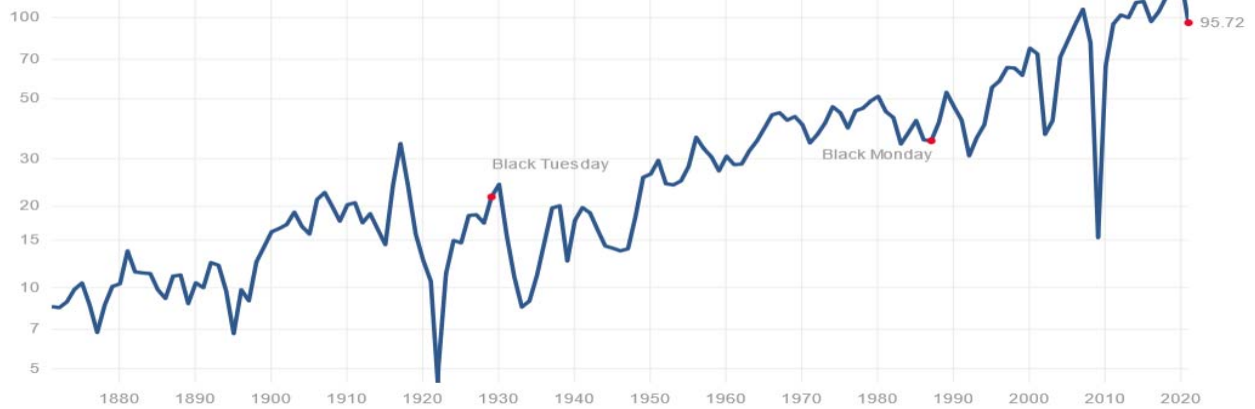


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S&P 500 TTM Earnings per Share

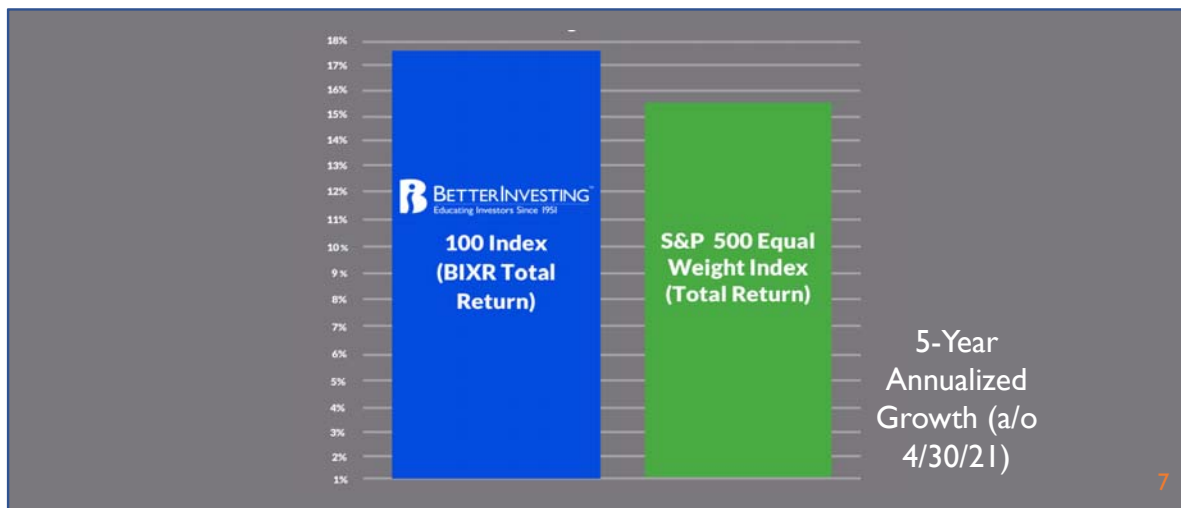


As of 2021-05-04



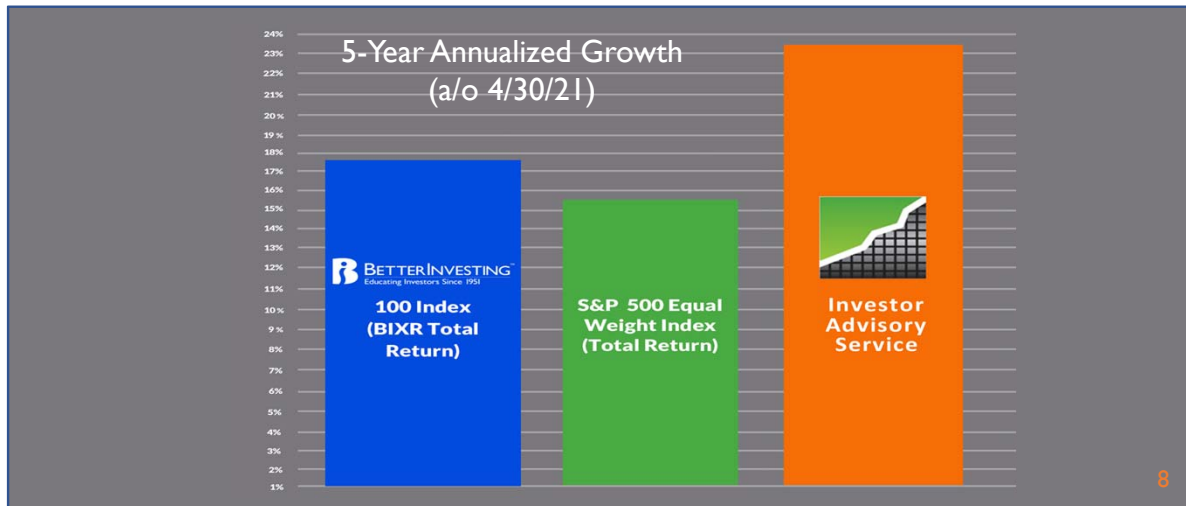
Source: www.multpl.com, using estimated TTM EPS

BIXX vs. S&P



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BIXX vs. S&P vs. IAS

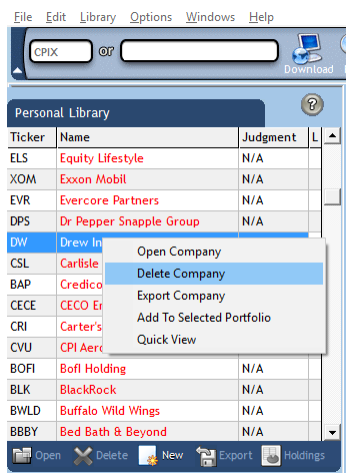


10 THINGS YOU PROBABLY DIDN'T KNOW ABOUT TOOLKIT 6

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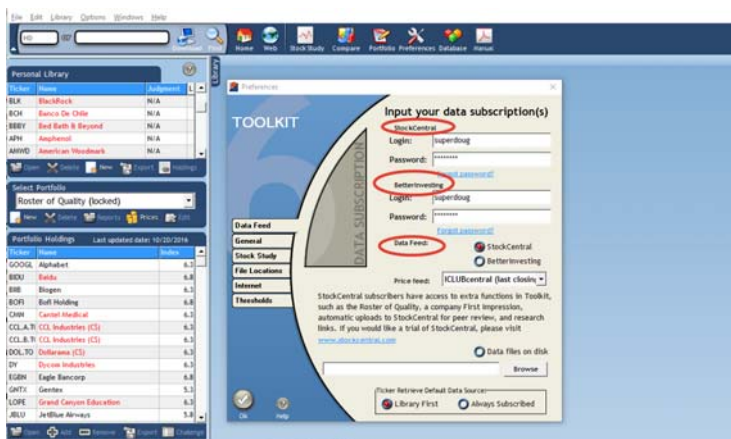
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1. Clean Up Your Personal Library



- Quickly clean out old companies in **Personal Library** by right-clicking & selecting **Delete Company**.
- (Can also add to selected portfolio.)

2. Get Roster but Use BI Data



- If you have both BI membership & StockCentral subscription, you can get Roster of Quality but use BI data in TK6 stock studies. Set credentials in Preferences.

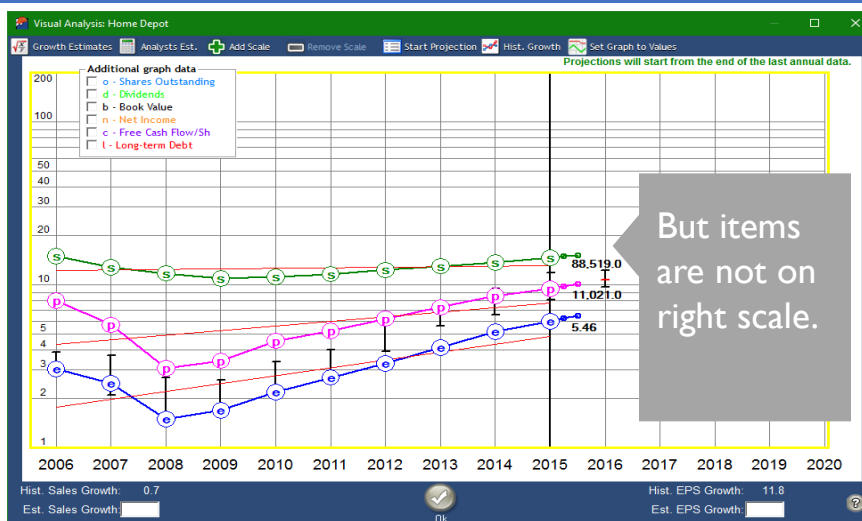
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3. Precisely Position Visual Analysis Items



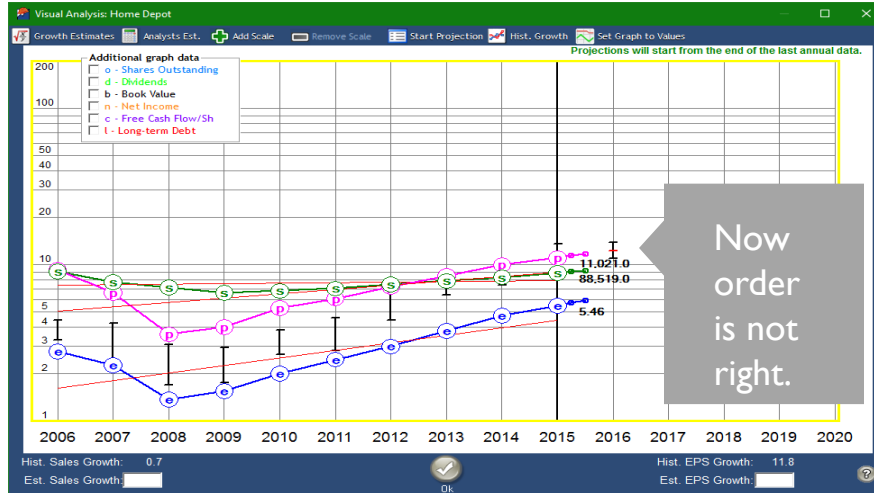
- By default, TK6 “auto-positions” series so they best fit on graph.
- Traditionalists prefer to see series in Income Statement Order:
 - Revenues
 - Pre-Tax Profit
 - Earnings Per Share
 - Price with EPS (to show P/E Ratio)
- And on the right scale.

Auto-Positioning in Right Order

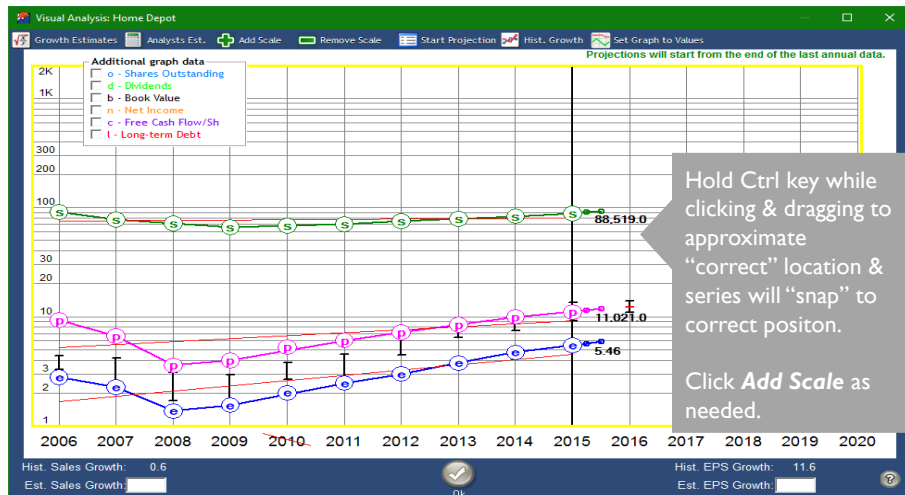


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Set Graph to Values



Ctrl-Click & Drag Series on Graph

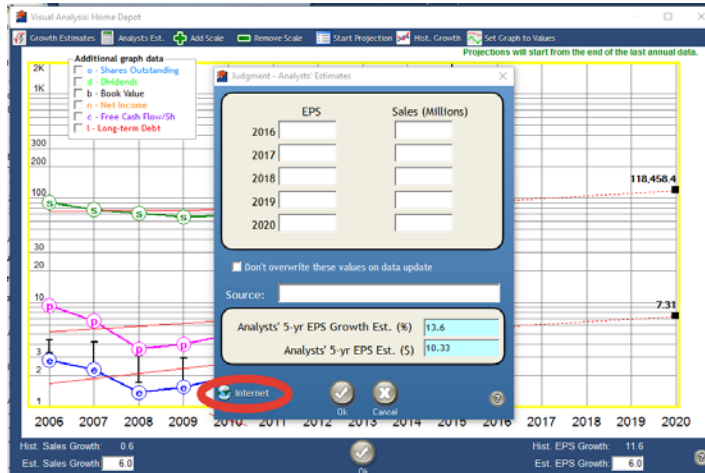


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4. Quickly Access Analyst Estimates



- From Analyst Estimates screen in Visual Analysis, click Internet icon in bottom left.
- Look for:
 - 5 Yrs EPS Estimates - Nasdaq
 - 2 Qs/Yrs EPS Forecasts - Yahoo



5. Toggle Between 5- & 10-Yr PEs



3 PRICE, PRICE/EARNINGS RATIO and DIVIDEND ANALYSIS

CURRENT PRICE (P/E) 122.01 (20.6) 52-WEEK HIGH (P/E) 139.00 (23.4)					
Fiscal Year	High Price	Low Price	EPS	High P/E	Low P/E
1 2011	45.5	28.1	2.47	18.4	11.4
2 2012	68.2	44.3	3.00	22.7	14.8
3 2013	82.6	63.8	3.76	22.0	17.0
4 2014	107.7	74.0	4.71	22.9	15.7
5 2015	135.5	92.2	5.46	24.8	16.9
6 AVERAGE (10 Years):		42.0		20.6	13.5
AVERAGE P/E RATIO	17.1		PROJECTED P/E RATIO	23.4	
CURRENT P/E RATIO	20.6		PEG RATIO	3.2	
RELATIVE VALUE	120.7%		PROJ. RELATIVE VALUE	113.8%	103.8%

3 PRICE, PRICE/EARNINGS RATIO and DIVIDEND ANALYSIS

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5 2015	135.5	92.2	5.46	24.8	16.9
6 AVERAGE (10 Years):		60.5		22.2	15.2
AVERAGE P/E RATIO	18.7		PROJECTED P/E RATIO	23.4	
CURRENT P/E RATIO	20.6		PEG RATIO	3.2	
RELATIVE VALUE	110.0%		PROJ. RELATIVE VALUE	103.8%	

In Section 3, Alt-K to toggle 10- and 5-year PEs.

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6. Select Low EPS in Section 4



4 EVALUATING REWARD and RISK over the next 5 years

A FUTURE HIGH PRICE ANALYSIS - NEXT 5 YEARS

Selected High P/E 22.2 X Estimated High Earnings/Share 7.31 Forecast High Price \$ 162.3

B FUTURE LOW PRICE ANALYSIS - NEXT 5 YEARS

(a) Sel. Low P/E 15.2 X Estimated Low Earnings/Share 5.46 5.93 = 90.1

(b) Average 5-Year Low Price = 60.9

(c) Recent Severe Low Price = 74.0

(d) Price Dividend Will Support = Present Divd. + High Yield = 2.76 + 0.037 = 74.6

Selected Estimated Low Price = \$

- Alt-Q to toggle low EPS choices:
 - Last FY
 - Trailing Twelve Months (TTM)
 - Forward Twelve Months (FTM) *(Based on your EPS projected growth rate from most recent quarter.)*
 - Average of TTM & FTM.

7. Quickly Access Company Website



- Enter URL of a company on **Data** screen, then access it later using Web icon, from **Open Company URL** item.

Data for Home Depot

BASIC DATA	ANNUAL DATA	QUARTERLY DATA
Company: Home Depot	Price: 122.01	Date: 10/31/2016
Ticker: HD	Web Site: http://www.homedepot.com	
Industry: Home Improvement Stores	High: 139.000	Low: 109.620
Sector: Consumer Cyclical		
Exchange: NYS	ADR: <input type="checkbox"/>	Total Debt(\$M): 20,943.0
Source: Sh.Critl	Date: 10/31/2016	Pfd Stock(\$M): 0.0
Reference: Morningstar	Preparer:	Pfd Div'd(\$M): 0.0
Last Full Fiscal Year: 2015	% Target Return: 15.0	Basic Shares (M): 1,235.0
Month Fiscal Year Ends: January		Common Dividends(\$): 2.760
Analysts' EPS Growth Est.(%): 13.6		% Insider Ownership: 2.5
Analysts' EPS Est.(\$): 10.33		Institutional Holdings(000): 952,940.0
Quality Source: Take Stock		Diluted Shares (M): 1,240.0
Quality Rating: 3.20		

Lock Data Internet Prices Ok

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Web Icon: Open Company URL



The screenshot shows the Stock Study software interface. A dropdown menu is open, listing various sources for company information. The option 'Open Company URL' is highlighted with a blue bar and a grey arrow pointing to it. Other options include 'Google Finance: Company Overview', 'MarketWatch: Company Profile', 'MSN Money: Company Report', 'NASDAQ: Stock Report', 'Reuters: Company Overview', 'StockCentral Data Report', 'StockCentral Research Links', 'Take Stock', 'Yahoo! Finance: Company Profile', and 'Zacks Investment Research: Company Profile'. The background shows the 'Home Depot (Imported)' study with a 'Growth Analysis' section.

8. Know Instantly If Study Has Notes



- Notes icon label appears in italics if note has text.

The screenshot shows the Stock Study software interface for 'Home Depot (From the Stock Library)'. The 'Notes' icon in the toolbar is highlighted with a red circle. The interface displays a table of financial data for Home Depot, including 'Company Home Depot', 'Study by', 'Sector Consumer Cyclical', 'Industry Home Improvement Stores', 'Preferred(\$M) 0.0', 'Diluted(M Shares) 1,240.0', 'Total Debt(\$M) 20,943.0', and '% Tot Debt to Tot Cap 75.9'. The 'Growth Analysis' section is visible at the bottom.

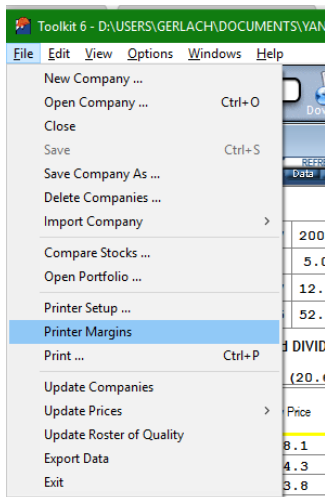
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9. Update Judgment Date W/out Updating Judgment

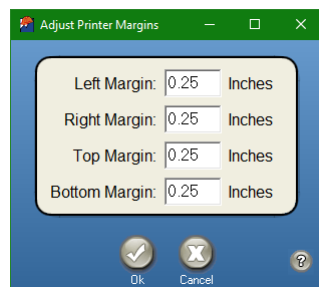


- Judgment Date is sort option in Library.
 - Useful to identify companies that might be outdated.
- If you review company but are happy with prior judgment, open any Judgment entry window & click OK, then save study.
 - Sales/EPS Growth Rate entry screen.
 - High & Low PE Ratio selection screen.
 - High or Low Price selection screen.

10. Better Fit Printed Stock Studies



- Use **File > Printer Margins** menu to reduce stock study on printed page.



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STOCK OF THE MONTH

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FleetCor Technologies (FLT)



- Re-Recommended in May 2021 *Investor Advisory Service* newsletter.
 - Also covered in *SmallCap Informer* since 2017.
- NYSE: FLT.
- Sector: Industrials.
- Industry: Business Services*.

 FLEETCOR®

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FleetCor's Business



- Leading provider of fuel cards for corporate vehicles, used for food, lodging, other expense payments.
 - Also manages fuel cards for Shell, BP, Speedway.
- Main business in US, with operations in Brazil & U.K.
 - Brazilian business offers RFID toll processing.

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FLT Growth



- Significant customer renewal rates indicate high satisfaction.
- Transaction growth in core business is 3%-4% a year.
 - Sales force is incentivized to pursue high-value accounts, so growth outpaces industry.
- Increased RFID & contactless tolls business growing (meals, parking, tolls).
 - McDonald's in Brazil asked for FLT to install RFID in drive-throughs.

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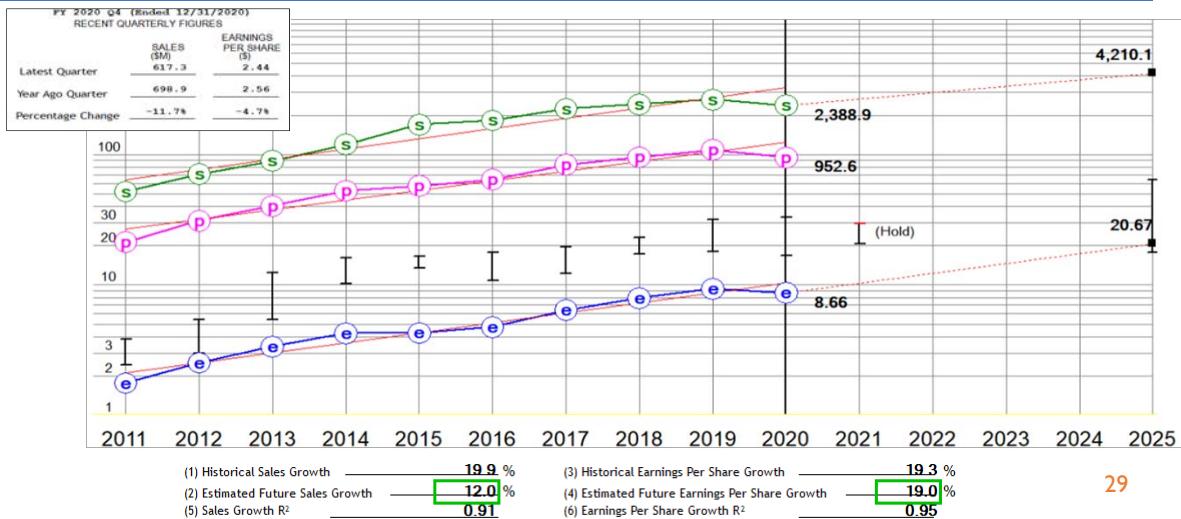
What's Ahead



- Increasing adoption of payment processing for corporate accounts payable accounts.
 - Half of AP today is settled by paper checks.
- Pandemic did slow growth, but recovery should be strong.
 - 2021 Q1 results should show strong comparison to 2020.

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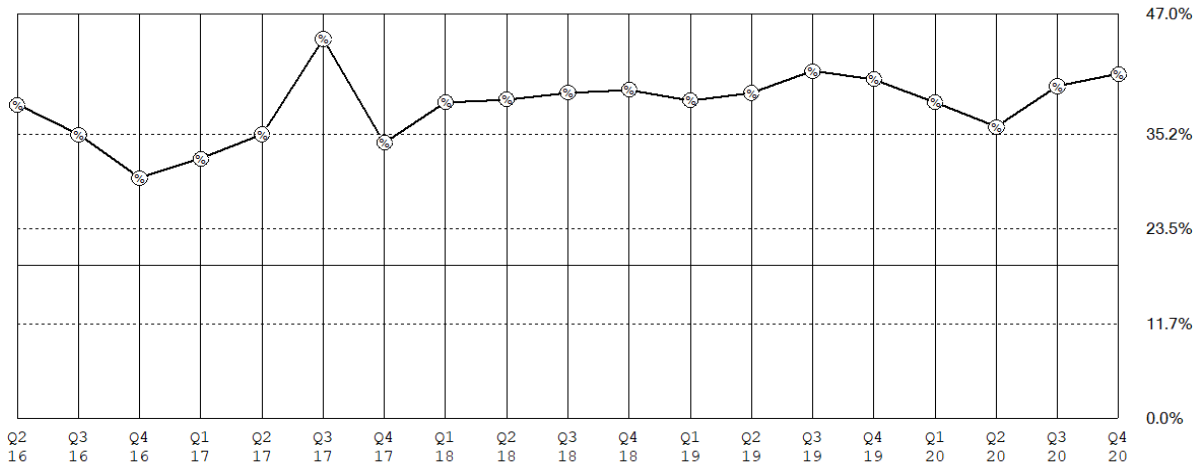
FLT Historical & Projected Growth



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FLT % PTP Graph (Quarterly)



FLT P/E History



		CURRENT PRICE (P/E) 293.44 (33.9)		52-WEEK HIGH (P/E) 295.36 (34.1)		52-WEEK LOW (P/E) 206.60 (23.9)		
Fiscal Year	High Price	Low Price	EPS	High P/E	Low P/E	Dividend	% Payout	% High Yield
1 2016	176.4	107.6	4.75	37.1	22.7	0.000	0.0	0.0
2 2017	194.5	121.5	6.39	30.4	19.0	0.000	0.0	0.0
3 2018	230.1	172.2	7.93	29.0	21.7	0.000	0.0	0.0
4 2019	315.8	180.1	9.34	33.8	19.3	0.000	0.0	0.0
5 2020	329.9	168.5	8.66	38.1	19.5	0.000	0.0	0.0
6 AVERAGE		150.0		31.1	20.4		0.0	
AVERAGE P/E RATIO		27.1 25.8	PROJECTED P/E RATIO		28.5	TTM EPS		8.66
CURRENT P/E RATIO		33.9	PEG RATIO		1.5	FTM EPS		10.31
RELATIVE VALUE		125.3% 131.7%	PROJ. RELATIVE VALUE		105.3% 110.6%	AVG TTM + FTM EPS		9.48

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FLT Reward & Risk



4 EVALUATING REWARD and RISK over the next 5 years

A FUTURE HIGH PRICE ANALYSIS — NEXT 5 YEARS

Selected High P/E 31.1 X Estimated High Earnings/Share 20.67 = Forecast High Price \$ 642.8

B FUTURE LOW PRICE ANALYSIS — NEXT 5 YEARS

(a) Sel. Low P/E 20.4 X Estimated Low Earnings/Share 8.66 = \$ 176.7

(b) Average 5-Year Low Price = 150.0

(c) Recent Severe Low Price = 168.5

(d) Price Dividend Will Support = Present Divid. + High Yield = 0.00 + 0.000 = 0.0

Selected Estimated Low Price = \$ 176.7

C PRICE RANGES

Forecast High Price 642.8 - Estimated Low Price 176.7 = Range 466.1 25% of Range = 116.5

BUY (Lower 25% of Range) = 176.7 to 293.2

MAYBE (Middle 50% of Range) = 293.2 to 526.3

SELL (Upper 25% of Range) = 526.3 to 642.8

Current Price 293.44 is in the Hold Range

D REWARD/RISK ANALYSIS (Potential Gain vs. Risk of Loss)

(Forecast High Price 642.8 - Current Price 293.44) ÷ (Current Price 293.44 - Estimated Low Price 176.7) = 3.0 To 1

FLT Total Return Analysis



5 TOTAL RETURN ANALYSIS

A CURRENT YIELD

Present Full Year's Dividend \$ 0.000 ÷ Current Price of Stock \$ 293.44 = 0.0 % Present Yield or % Returned

B AVERAGE YIELD - USING FORECAST HIGH P/E

Avg. % Payout 0.0 ÷ Forecast High P/E 31.1 = Avg. Yield 0.0

C % COMPOUND ANNUAL TOTAL RETURN - USING FORECAST HIGH P/E

Average Yield 0.0 % + Annual Appreciation 17.0 % = Compound Annual Total Return 17.0 %

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Where's Doug?



- May 8, 2021 - [W Texas BetterInvesting Chapter](#)
- May 12, 2021 - [The MoneyShow](#)
- June 15-17, 2021 - [The MoneyShow](#)
- June 29-July 1, 2021 - [The MoneyShow](#)
- July 12, 2021 - [Research Triangle AAll Chapter](#)
- July 13-15, 2021 - [The MoneyShow](#)
- August 10-12, 2021 - [The MoneyShow](#)
- August 24-26, 2021 - [MoneyShow World of ETF](#)
- October 5-7, 2021 - [The MoneyShow](#)
- August 21, 2021 - [Georgia BetterInvesting Chapter](#)
- October 8-10, 2021 - [American Association of Individual Investors \(AAll\) National Conference](#), Las Vegas
- October 21-24, 2021 - [BetterInvesting National Convention](#), Dallas
- December 14-16, 2021 - [The MoneyShow](#)

Most upcoming events are presented online. Confirm details with presenting organization.

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Questions?

EMAIL ME: GERLACH@ICLUB.COM



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**KEEP
CALM
AND
STAY THE
COURSE**