

Screening for Great Stocks

<http://www.stockrover.com/webinar-outline.html>

Assess the Market

- Strength of the Market as a whole
 - Chart S&P 500
 - Look at trend and strength of trend via Simple Moving Averages

Determine What's in and What's Out

- Can use key ETFs as proxies
 - Create watchlists of ETFs and chart their performance
- Look at performance of
 - Growth vs. Value
 - Small Cap vs. Mid Cap vs. Large Cap
 - Chart individual sectors

Select Screeners and Screen

- Use different screeners and run to find candidates
- Select promising stocks via good technicals and strengthening analyst estimates
- Collect into a watchlist and optionally tag with screener source (tagging is premium feature)
 - Basic user – create separate watchlist for each screener source

When Screening is Complete...

- Do in depth research on each candidate to research (described in next section)
- Goal is to decide whether the candidate stock is a potential buy or not

Perform Initial Fundamental Research via Views

1. Historical Valuation View
 - a. Key columns are the 5 year ranges (P/E, P/S, P/B)
2. Valuation View (expand row for ticker of interest)
 - a. EV / EBDITA over time
 - b. PEG Forward
 - c. Cash and Debt per share over time
3. Profitability View (expand row for ticker of interest)
 - a. Look at margin trajectories (Gross, Operating, Net)
 - b. Look at efficiency trajectories (ROA, ROE, ROIC)
4. Growth View
 - a. 5 year sales and EPS change
 - b. Mouse over at Yearly Sales and EPS graphical columns
5. Grades View (Morningstar Grades)
 - a. Can see grade history via row expansion
6. Income Statement View (expand row for ticker of interest for trajectories over time)
 - a. Sales
 - b. Net Income
 - c. Shares
 - d. Sales Per Employee
7. Balance Sheet View (expand row for ticker of interest for trajectories over time)
 - a. Cash
 - b. Intangibles
 - c. Long Term Debt
 - d. Equity
 - e. Debt/Equity

Do Additional Research

1. News
2. Insider Transactions
3. Go to company's web site and look at investor relations page – especially presentations
4. And if you still like everything – read latest 10-K and 10-Q