



Improvements to Our Models & Data Offerings

We're always working to give clients the best fundamental data and models in the world. Today, we are excited to announce enhancements to our quarterly and Trailing Twelve Month (TTM) models as well as our [Average Invested Capital](#) calculation. These enhancements improve how we:

1. Handle the realities of poor, limited, or missing disclosures in financial filings
2. Calculate Average Invested Capital
3. Deliver more robust backtest data sets and models for the 10,000+ stocks, ETFs and mutual funds we cover.

Disclosures in quarterly filings are radically worse than disclosures in annual filings. For example, in 10-Qs, companies rarely provide adequate disclosures for operating leases, pensions, employee stock options, taxes, hidden expenses and income, reserves, deferred compensation, acquisitions, and many other items needed to calculate NOPAT and invested capital with the consistency and accuracy we require.

Improving our ability to identify and model inadequately disclosed - and undisclosed - values further enhances the superiority of our data and models.

No other research firm works harder or smarter to bring you the best fundamental data and valuation models.

The [Analyst Note](#): "Updated Based on Model Enhancement" will appear if this update causes the Overall Rating to change for any active or inactive stocks we cover.

Please do not hesitate to reply with any questions.

[See How Our Models Work](#)

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Disclosure: David Trainer and Kyle Guske II receive no compensation to write about any specific stock, style, or theme.

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New Constructs® - Research to Fulfill the Fiduciary Duty of Care

Ratings & screeners on 3000 stocks, 450 ETFs and 7000 mutual funds help you make prudent investment decisions.

New Constructs leverages the latest in machine learning to analyze structured and unstructured financial data with unrivaled speed and accuracy. The firm's forensic accounting experts work alongside engineers to develop proprietary NLP libraries and financial models. Our investment ratings are based on the best fundamental data in the business for stocks, ETFs and mutual funds. Clients include many of the top hedge funds, mutual funds and wealth management firms. David Trainer, the firm's CEO, is regularly featured in the media as a thought leader on the fiduciary duty of care, earnings quality, valuation and investment strategy.

To fulfill the Duty of Care, research should be:

1. **Comprehensive** - All relevant publicly-available (e.g. 10-Ks and 10-Qs) information has been diligently reviewed, including footnotes and the management discussion & analysis (MD&A).
2. **Un-conflicted** - Clients deserve unbiased research.
3. **Transparent** - Advisors should be able to show how the analysis was performed and the data behind it.
4. **Relevant** - Empirical evidence must provide [tangible, quantifiable correlation](#) to stock, ETF or mutual fund performance.

Value Investing 2.0: Diligence Matters: Technology is Key to Value Investing With Scale

Accounting data is only the beginning of fundamental research. It must be translated into economic earnings to truly understand profitability and valuation. This translation requires deep analysis of footnotes and the MD&A, a process that our [robo-analyst technology](#) empowers us to perform for thousands of stocks, ETFs and mutual funds.



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