



October 2019 Stock Picking Accolades:

#2 in Healthcare, #2 in Consumer Staples and #6 in Industrials

We are October's [#2 ranked stock picker in Healthcare](#) per *SumZero Rankings*. SumZero is a highly exclusive buy-side only community with over 12,000 pre-screened professional portfolio managers.

We are also ranked [#2 in Consumer Staples](#) and [#6 in Industrials](#).

Below are some of the ideas that drive these high rankings. We give members of New Constructs access to these ideas, as we do all research, before we post them to SumZero.

1. KLA Tencor (KLAC) – long – up 80% [since publishing](#) in August 2017
2. TrueCar Inc. (TRUE) – short – down 67% when [position closed in June 2019](#)
3. Valeant Pharmaceuticals (VRX, since changed to BHC) – short – down 45% when [position closed in May 2017](#)
4. Spirit AeroSystems (SPR) – long – up 44% [since publishing](#) in June 2017
5. Target Corporation (TGT) – long – up 25% [since publishing](#) in June 2019

Get the best fundamental research

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

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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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