



Get Earnings Distortion Scores in Your Portfolios

As of today, all members get our [Earnings Distortion Scores](#) (as featured on [CNBC Squawk Box](#)) for the stocks in their portfolios.

Per the picture below, you'll see the Earnings Distortion Score at the far right of your Portfolios.



Portfolio: My Portfolio (default)

Enter tickers here.

Add

Earnings Distortion Scores for all holdings in your portfolio(s)

	Ticker	Name	Type	Sector / Style	Mkt Val / AUM ²	Div Yield	Risk/Reward Rating ▲	ROIC	FCF Yield	Price to EBV	GAP	Analyst Notes ³	Earnings Distortion Score
+	QCOM	QUALCOMM Inc.	Stock	Technology	\$102,663	2.8%	Very Attractive	48%	3%	1.0	< 1	Dec 12, 2019	Strong Beat ✖
+	F	Ford Motor Company	Stock	Consumer Cyclical	\$36,059	6.5%	Neutral	3%	54%	0.9	< 1		In-Line ✖
+	A	Agilent Technologies, Inc.	Stock	Healthcare	\$27,070	0.8%	Neutral	12%	-1%	2.2	> 100		Miss ✖
+	I	Intelsat S.A.	Stock	Telecom Services	\$1,089	-	Unattractive	5%	11%	-0.2	> 100		Beat ✖
+	BRK.A	Berkshire Hathaway, Inc.	Stock	Financials	\$559,530	-	Unattractive	3%	9%	11.4	73		Strong Miss ✖
+	LF:1	Leapfrog Enterprises Inc	Stock	Consumer Cyclical	\$71	-	Unattractive Inactive	-26%	-169%	-0.0	72	Mar 22, 2017	Inactive ✖

We provide Earnings Distortion Scores for all stocks under coverage. These scores indicate how likely companies are to beat or miss estimates.

We measure [earnings distortion](#) using a proprietary human-assisted ML technology featured in [Core Earnings: New Data & Evidence](#).

Professors at Harvard Business School & MIT Sloan empirically show that our measure of “[core earnings](#)” is superior to “Street Earnings” from Refinitiv’s IBES, owned by Blackstone (BX) and Thomson Reuters (TRI), and “Income Before Special Items” from Compustat, owned by S&P Global (SPGI). Specifically, our earnings data is:

1. More accurate (Section 3.2)
2. More predictive of future earnings (Section 3.4)
3. More predictive of future stock prices (Section 4.3).

Please contact us at support@newconstructs.com if you have any questions.

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

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Footnotes adjustments matter. We are the ONLY source.

We provide ratings, models, reports & screeners on U.S. 3,000 stocks, 700 ETFs and 7,000 mutual funds.

HBS & MIT Sloan research reveals that:

- **Markets are inefficiently assessing earnings because no one reads the footnotes.**
- **Corporate managers hide gains/losses in footnotes to manage earnings.**
- **Our technology brings the material footnotes data to market for the first time ever.**

Combining human expertise with NLP/ML/AI technologies ([featured by Harvard Business School](#)), we shine a light in the dark corners (e.g. footnotes) of hundreds of thousands of financial filings to unearth critical details.

The HBS & MIT Sloan paper, [Core Earnings: New Data and Evidence](#), shows how our superior data drives uniquely comprehensive and independent debt and equity research.

This [paper](#) compares our analytics on a mega cap company to other major providers. The Appendix details exactly how we stack up.

[Learn more.](#)

Quotes from HBS & MIT Sloan professors on our research:

Get better research:

“...the NC dataset provides a novel opportunity to study the properties of non-operating items disclosed in 10-Ks, and to examine the extent to which the market impounds their implications.” – page 20

Pick better stocks:

“Trading strategies that exploit cross-sectional differences in firms’ transitory earnings produce abnormal returns of 7-to-10% per year.” – Abstract

Avoid losses from using other firms’ data:

“...many of the income-statement-relevant quantitative disclosures collected by NC do not appear to be easily identifiable in Compustat...” – page 14

Build better models:

“Core Earnings [calculated using New Constructs’ novel dataset] provides predictive power for various measures of one-year-ahead performance...that is incremental to their current-period counterparts.” – page 4

Exploit market inefficiencies:

“These results ... suggest that the adjustments made by analysts and Compustat to better capture core earnings are incomplete. Moreover, the non-core items identified by NC produce a measure of core earnings that is incremental to alternative measures of operating performance in predicting an array of future income measures.” – page 26

Fulfill fiduciary duties:

“An appropriate measure of accounting performance for purposes of forecasting future performance requires detailed analysis of all quantitative performance disclosures detailed in the annual report, including those reported only in the footnotes and in the MD&A.” – page 33-34



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