

TD Ameritrade Holding(AMTD)

\$49.70 (As of 12/31/19)

Price Target (6-12 Months): **\$57.00**

Long Term: 6-12 Months

Zacks Recommendation:

Outperform

(Since: 12/30/19)

Prior Recommendation: Neutral

Short Term: 1-3 Months

Zacks Rank: (1-5)

1-Strong Buy

Zacks Style Scores:

VGM:F

Value: D

Growth: D

Momentum: F

Summary

Shares of TD Ameritrade have underperformed the industry, over the past six months. However, the company has an impressive earnings surprise history, having surpassed the Zacks Consensus Estimate in three of the trailing four quarters. The company's focus on increasing client assets and to strengthen overall business through introduction of innovative trading platforms is commendable. Also, the company's association with TD Bank supports cross-selling opportunities. Yet, rising costs due to ongoing investments in technology and advertising costs have been impacting bottom-line growth unfavorably. Also, its decision to eliminate commissions for stocks, ETFs and options trades is likely to affect revenue growth. Notably, Charles Schwab and TD Ameritrade announced merger, creating behemoth of a discount brokerage and RIA custodian.

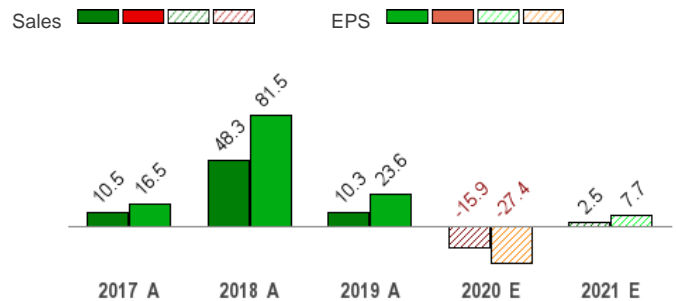
Price, Consensus & Surprise



Data Overview

| | |
|----------------------------|--|
| 52 Week High-Low | \$57.88 - \$32.69 |
| 20 Day Average Volume (sh) | 4,281,654 |
| Market Cap | \$26.9 B |
| YTD Price Change | 1.5% |
| Beta | 1.29 |
| Dividend / Div Yld | \$1.24 / 2.5% |
| Industry | Financial - Investment Bank |
| Zacks Industry Rank | Top 26% (67 out of 253) |

Sales and EPS Growth Rates (Y/Y %)



| | |
|---------------------------|-------------------|
| Last EPS Surprise | 8.3% |
| Last Sales Surprise | 6.2% |
| EPS F1 Est- 4 week change | -0.1% |
| Expected Report Date | 01/28/2020 |
| Earnings ESP | -1.1% |
| P/E TTM | 12.0 |
| P/E F1 | 16.6 |
| PEG F1 | 1.0 |
| P/S TTM | 4.5 |

Sales Estimates (millions of \$)

| | Q1 | Q2 | Q3 | Q4 | Annual* |
|------|---------|---------|---------|---------|---------|
| 2021 | 1,282 E | 1,279 E | 1,302 E | 1,321 E | 5,184 E |
| 2020 | 1,284 E | 1,265 E | 1,254 E | 1,257 E | 5,060 E |
| 2019 | 1,516 A | 1,451 A | 1,491 A | 1,558 A | 6,016 A |

EPS Estimates

| | Q1 | Q2 | Q3 | Q4 | Annual* |
|------|----------|----------|----------|----------|----------|
| 2021 | \$0.84 E | \$0.80 E | \$0.82 E | \$0.82 E | \$3.23 E |
| 2020 | \$0.76 E | \$0.73 E | \$0.75 E | \$0.79 E | \$3.00 E |
| 2019 | \$1.11 A | \$0.93 A | \$1.04 A | \$1.05 A | \$4.13 A |

*Quarterly figures may not add up to annual.

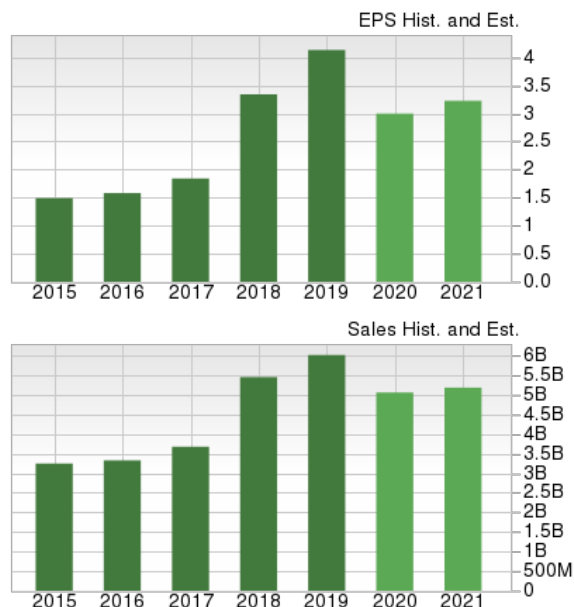
The data in the charts and tables, including the Zacks Consensus EPS and Sales estimates, is as of 12/31/2019. The reports text is as of 01/02/2020.

Overview

Founded in 1971 in California and headquartered in Omaha, NV, TD Ameritrade Holding Corporation provides securities brokerage services and technology-based financial services to retail investors, traders, and independent registered investment advisors (RIAs) in the United States. The company provides services primarily through the Internet, a national branch network and its relationships with RIAs.

The company's prime trading and investing platform – *tdameritrade.com* – is focused on self-directed retail investors and offers a broad array of tools and services, including alerts, screeners, conditional orders and free fundamental third-party research. The company's offerings also include – *thinkorswim* designed for advanced traders aimed at fast and efficient order execution for complex trading strategies; *TD Ameritrade Mobile* helps investors and traders to trade and monitor accounts from web-enabled mobile devices; *Investools*, which provides investor education products and services for stock, option, foreign exchange, futures, mutual fund, and fixed-income investors; *Amerinvest*, an online advisory service that develops portfolios of exchange-traded funds or mutual funds to assist long-term investors pursue their financial goals; and *TD Ameritrade Corporate Services*, which provides self-directed brokerage services to employees and executives of different corporations.

Notably, Canada-based Toronto-Dominion Bank (TD Bank) holds 42% stake in TD Ameritrade. Ameritrade became TD Ameritrade when it acquired TD Waterhouse USA in 2006. It was then that TD Bank received a stake in TD Ameritrade. Further in December 2013, TD Ameritrade modified its agreement with TD Bank. The amendment extended the existing agreement's date of expiry from Jan 24, 2016 to Jan 24, 2021. It also enabled TD Ameritrade to carry out more stock buybacks. According to the amended agreement, if any share repurchases by TD Ameritrade lead to TD Bank having more than 45% interests, the latter will have to shed its stake.



Reasons To Buy:

- ▲ TD Ameritrade remains a leading asset gatherer with eleven consecutive years of double-digit asset growth since fiscal 2008 in net new client assets. Notably, during fiscal 2019, the company witnessed an annualized growth rate of 7% in net new client assets, within the long-term target of increasing on an annual rate of 7-10%. Notably, total net new assets exceeded \$90 billion this year from \$60 billion in 2016. Also, the company's net revenues recorded a five-year (2015-2019) compound annual growth rate (CAGR) of 16.7%. Based on the company's solid business model, focus on high net-worth clients and improving service model to boost engagement and retention, top-line growth will likely continue.
- ▲ TD Ameritrade is on expansion path with the innovative products and diversification. The company's growth prospects enhanced with the acquisition of Scottrade Financial Services, Inc. This transaction resulted in significant scale to TD Ameritrade's retail business, fortified trading operations and expanded its branch network substantially. Also, TD Ameritrade invested in a regulated derivatives exchange and clearing organization, ErisX, with an aim to make digital currency products more accessible to retail clients.
- ▲ TD Ameritrade's trading volumes have been graphing an uptrend. The company's average client trades per day have been increasing over the past few years, with the trend continuing in fiscal 2019, mainly benefiting from the volatility in markets. We believe, in the near term, the company will be able to improve trading volumes backed by anticipated improvement in equity markets as well as its innovative trading platforms. Additionally, the company continues to undertake investment spending in technology and advertising that are likely to enhance the overall business.
- ▲ TD Ameritrade's association with TD Bank provides an opportunity for both firms to cross-sell products. Even though TD Ameritrade operates mainly as an online broker, its presence extends over 100 branches nationwide. Further, the alliance with TD Bank increases chances of expanding its footprint by opening brokerage offices within many of the bank's current branches along the East Coast. This association can prove to be a significant growth driver in the near term.
- ▲ Shares of TD Ameritrade underperformed the industry, over the past six months. However, with this unfavorable trend, the company's fiscal 2020 earnings estimates have been revised marginally upward over the past 60 days. Therefore, given the strong fundamentals and positive estimate revisions, the stock has upside potential.

TD Ameritrade is poised to see top-line growth based on a steady asset growth, surge in trading volumes and its association with TD Bank. Its efforts to digitally enhance operations are commendable.

Risks

- TD Ameritrade is exposed to operational risks. Though total operating expenses declined in fiscal 2019, mainly due to lower employee compensation and benefits, it witnessed a CAGR of 21.6% over the four years (2015-2018). Further, the company's expense base will likely be under pressure due to its ongoing investments in technology and advice and guidance offerings. We believe in the absence of steady cost control measures, escalating costs will lead to operational inefficiency and might hinder bottom-line expansion to some extent.
 - TD Ameritrade's involvement in steady capital-deployment activities is encouraging as it declared a 3% increase in common stock dividend in October 2019. Furthermore, the company resumed share repurchase in September 2018. As of Sep 30, 2019, nearly 32 million shares remained for repurchase under its current authorization. Nonetheless, the company's debt/equity ratio does not compare favorably with the broader industry. Also, TD Ameritrade's performance in the past few quarters remained volatile. Thus, these capital deployment activities might not be sustainable in the quarters ahead.
 - The stock seems overvalued when compared with the broader industry. Its current price-to-book (P/B) and price-to-earnings (F1) ratios are above the respective industry averages.
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Last Earnings Report

TD Ameritrade Q4 Earnings Top on Strong Trading Activity

TD Ameritrade delivered a positive earnings surprise of 8.2% in fourth-quarter fiscal 2019 (ending Sep 30). Adjusted earnings of \$1.05 per share surpassed the Zacks Consensus Estimate of 97 cents. The figure also jumped 14.1% from the prior-year quarter's reported tally.

The company's results displayed stellar revenues and escalating expenses in the fiscal fourth quarter. Rise in NIM was also recorded. Notably, the company witnessed an increase in average client trades per day, indicating investors' willingness to invest, leading to higher trading activity.

Including certain non-recurring items, net income for the quarter came in at \$551 million or \$1.00 per share compared with the \$454 million or 80 cents reported in the prior-year quarter.

For fiscal 2019, adjusted net income came in at \$2.3 billion or \$4.13 per share compared with the \$1.9 billion or \$3.34 recorded in fiscal 2018. Including certain non-recurring items, net income came in at \$2.2 billion or \$3.96 per share compared with the \$1.5 billion or \$2.59 reported in fiscal 2018.

Quarter Ending **09/2019**

| Report Date | Oct 21, 2019 |
|------------------|--------------|
| Sales Surprise | 6.16% |
| EPS Surprise | 8.25% |
| Quarterly EPS | 1.05 |
| Annual EPS (TTM) | 4.13 |

Rise in Revenues Partly Offset by Higher Expenses

For fiscal 2019, the company reported revenues of \$6 billion, up 9.1% year over year. Furthermore, the revenue figure surpassed the Zacks Consensus Estimate of \$5.9 billion.

Net revenues for the reported quarter came in at \$1.56 billion, up 11.4% year over year. This upside can chiefly be attributed to higher asset-based and transaction-based revenues. The reported figure outpaced the Zacks Consensus Estimate of \$1.47 billion as well.

Total asset-based revenues for the September-end quarter amounted to \$1 billion, up 12.9% year over year, driven by higher bank deposit account fees, investment product fees and net interest revenues.

Further, commissions and transaction fees jumped 4.1% from the prior-year quarter to \$502 million. The quarter's NIM came in at 2.27%, expanding 22 basis points year over year.

Total operating expenses flared up 2% year over year to \$778 million. This upswing mainly resulted from rise in almost all components of expenses, partly mitigated by lower occupancy and equipment costs, along with communication and other expenses.

Steady Trading Activity

Average client trades per day for the fiscal fourth quarter increased 5.3% year over year to 837,009. For fiscal 2019, average client trades per day were 862,158, up 6.3% year over year.

As of Sep 30, 2019, net new client assets totaled \$22 billion, up 7% year over year on annualized basis. Total client assets came in at \$1.33 trillion, up 2.3% year over year.

Average spread-based balance was \$146.8 billion, up 2.9% year over year, and average fee-based investment balance was down 1.7%, to \$267.1 billion.

Balance Sheet Position

As of Sep 30, 2019, TD Ameritrade's cash and cash equivalents were \$2.85 billion, up from the \$2.69 billion reported as of Sep 30, 2018. Shareholders' equity was \$8.7 billion compared with \$8 billion as of Sep 30, 2018.

Capital Deployment

During the fiscal fourth quarter, TD Ameritrade repurchased 5.8 million shares for a total cost of \$295 million and an additional 30 million shares for repurchases was authorized by the board.

Fiscal 2020 Outlook

The company expects to deliver revenues in the range of \$4.9-\$5.3 billion.

GAAP operating expenses are expected to be in the range of \$2.8-\$3 billion.

Advertising expense is expected to be in \$250-\$300 million band and intangible amortization is expected to be \$115-\$120 million.

Tax rate is expected to be between 24% and 26%.

Shareholder return of around 90% of non-GAAP net income is anticipated.

Net new assets are expected to be within the 7-10% range. Share repurchases are expected to be around \$15 million.

Recent News

Schwab's Buyout of TD Ameritrade to Shake Up Online Brokerage - Nov 25, 2019

Charles Schwab has inked an all-stock deal to acquire TD Ameritrade Holding for roughly \$26 billion. This will create a behemoth in online brokerage space with combined client assets worth more than \$5 trillion and serving nearly 24 million brokerage accounts.

Schwab President and CEO Walt Bettinger said, "With this transaction, we will capitalize on the unique opportunity to build a firm with the soul of a challenger and the resources of a large financial services institution that will be uniquely positioned to serve the investment, trading and wealth management needs of investors across every phase of their financial journeys."

Exchange Ratio, New Headquarter & Other Details

Under the deal terms, shareholders of TD Ameritrade will receive 1.0837 Schwab shares for each TD Ameritrade share. This represents a 17% premium over the 30-day volume weighted average price exchange ratio as of Nov 20, 2019.

The transaction, still subject to regulatory approvals and consent of shareholders of both the companies, is expected to close in the second half of 2020. The integration process will start immediately thereafter, which is likely to take around 18-36 months.

As part of this process, the combined company's headquarter will be shifted to Westlake, TX from Schwab's current base in San Francisco. Nearly \$1.6 billion charge related to the integration is expected to be incurred over three years after closing.

The deal has been approved by the board of directors of both the companies as well as the Strategic Development Committee of TD Ameritrade's board (formed to supervise and conduct the process and all negotiations concerning the transaction).

Following the deal closure, The Toronto-Dominion Bank (TD), which has nearly 43% stake in TD Ameritrade at present, is likely to have an ownership position of roughly 13% in the combined company. Other TD Ameritrade stockholders and existing Schwab stockholders will hold approximately 18% and 69% stake, respectively.

Moreover, TD Bank will have two new seats on the combined company's board, while TD Ameritrade will have one.

Further, TD Ameritrade has halted previously announce process of searching for new CEO and named Stephen Boyle, the company's EVP and CFO, as interim President and CEO.

Accretive to Earnings, Cost Synergies

The deal is expected to result in substantial strategic benefits for the combined firm. Also, clients of both Schwab and TD Ameritrade will benefit from enhancement of "investing and trading experience."

Boyle said, "Partnering with Schwab on this transformative opportunity makes the right strategic and financial sense for TD Ameritrade."

The deal is expected to be single digit percentage accretive to operating cash earnings in the first-year post closing and 15-20% accretive in the third year. Further, it is projected to be 10-15% accretive to GAAP earnings in the third year, post completion.

Also, the deal is estimated to result in \$3.5-\$4.0 billion in total synergies. This will be mainly derived from expense savings and the Insured Deposit Account renegotiation transaction between Schwab and TD Bank.

On cost front, the current projection is for nearly \$1.8-\$2 billion run rate expense synergies, representing about 18-20% of combined company's cost base. A part of this synergy is expected to be realized from "elimination of overlapping and duplicative roles."

More synergies are likely to be generated through real estate, administrative and other savings. Nonetheless, no details related to these were provided at present.

Overall, all these are anticipated to reduce operating expenses as a percentage of client assets and help further diversify revenues. Notably, the deal is expected to increase percentage of trading related fees to total revenues to about 19% from nearly 9% for Schwab at present.

TD Ameritrade Introduces \$0 Commissions for Online Stock, ETF and Option Trades - Oct 1, 2019

TD Ameritrade eliminated commissions for its online exchange-listed stock, ETF (domestic and Canadian), and option trades, effective Oct. 3, 2019. Commissions previously stood at \$6.95. Clients trading options will now pay \$0.65 per contract with no exercise and assignment fees.

Steve Boyle, chief financial officer, TD Ameritrade, said "We expect this decision to have a revenue impact of approximately \$220-240 million per quarter, or approximately 15-16% of net revenues, based on June Quarter fiscal 2019 revenue. We'll have more information about our fiscal 2020 plan when we release fourth quarter earnings later this month."

Rates will be effective for TD Ameritrade retail clients, as well as clients of independent registered investment advisors that utilize TD Ameritrade Institutional.

Dividend Update

On Oct 21, TD Ameritrade announced an increased dividend of 31 cents per share, up 1 cent for fiscal 2020. The new dividend was paid on Nov 19 to shareholders of record as of Nov 5, 2019.

Valuation

TD Ameritrade's shares are up 3% over the trailing 12-month period. Stocks in the Zacks sub-industry and the Zacks Finance sector are up 19% and 18.5% over the past year, respectively.

The S&P 500 index is up 27.4% in the past year.

The stock is currently trading at 16.27X forward 12 months earnings, which compares to 12.3X for the Zacks sub-industry, 15.56X for the Zacks sector and 20.29X for the S&P 500 index.

Over the past five years, the stock has traded as high as 29.38X and as low as 8.18X, with a 5-year median of 18.25X. Our Outperform recommendation indicates that the stock will perform better than the market. Our \$57 price target reflects 18.69X forward earnings.

The table below shows summary valuation data for AMTD

| Valuation Multiples - AMTD | | | | | |
|----------------------------|---------------|-------|--------------|--------|---------|
| | | Stock | Sub-Industry | Sector | S&P 500 |
| P/E F12M | Current | 16.27 | 12.3 | 15.56 | 20.29 |
| | 5-Year High | 29.38 | 15.3 | 16.21 | 20.29 |
| | 5-Year Low | 8.18 | 6.05 | 12.01 | 15.17 |
| | 5-Year Median | 18.25 | 11.39 | 13.98 | 17.44 |
| P/TB TTM | Current | 8.35 | 2.38 | 3.28 | 12.32 |
| | 5-Year High | 19.76 | 3.33 | 3.98 | 12.36 |
| | 5-Year Low | 5.52 | 1.6 | 2.44 | 6.03 |
| | 5-Year Median | 10.51 | 2.39 | 3.46 | 9.06 |
| P/S F12M | Current | 5.13 | 3.26 | 6.56 | 3.51 |
| | 5-Year High | 7.26 | 4.53 | 6.61 | 3.51 |
| | 5-Year Low | 3.05 | 2.8 | 5.2 | 2.54 |
| | 5-Year Median | 5.35 | 3.62 | 6.04 | 3 |

As of 12/31/2019

Industry Analysis Zacks Industry Rank: Top 26% (67 out of 253)



Top Peers

| | |
|---------------------------------------|--------------|
| The Charles Schwab Corporation (SCHW) | Outperform |
| E*TRADE Financial Corporation (ETFC) | Neutral |
| Evercore Inc (EVR) | Neutral |
| LPL Financial Holdings Inc. (LPLA) | Neutral |
| Moelis & Company (MC) | Neutral |
| Nomura Holdings Inc ADR (NMR) | Neutral |
| Raymond James Financial, Inc. (RJF) | Neutral |
| Virtu Financial, Inc. (VIRT) | Underperform |

| Industry Comparison Industry: Financial - Investment Bank | | | | Industry Peers | | |
|---|-----------------|------------|-----------|----------------|--------------|-------------|
| | AMTD Outperform | X Industry | S&P 500 | EVR Neutral | LPLA Neutral | RJF Neutral |
| VGM Score | F | - | - | A | A | B |
| Market Cap | 26.92 B | 519.11 M | 23.93 B | 2.92 B | 7.46 B | 12.41 B |
| # of Analysts | 6 | 3 | 13 | 2 | 4 | 1 |
| Dividend Yield | 2.49% | 0.69% | 1.78% | 3.10% | 1.08% | 1.65% |
| Value Score | D | - | - | A | A | A |
| Cash/Price | 0.48 | 0.37 | 0.04 | 0.11 | 0.20 | 0.52 |
| EV/EBITDA | 5.17 | 4.89 | 13.95 | 5.28 | 9.83 | 4.89 |
| PEG Ratio | 1.01 | 1.52 | 2.12 | NA | 0.86 | NA |
| Price/Book (P/B) | 3.13 | 1.87 | 3.33 | 2.94 | 7.31 | 1.87 |
| Price/Cash Flow (P/CF) | 10.59 | 8.65 | 13.67 | 6.15 | 12.60 | 10.62 |
| P/E (F1) | 16.57 | 11.35 | 19.66 | 9.48 | 12.91 | 11.04 |
| Price/Sales (P/S) | 4.47 | 1.52 | 2.69 | 1.37 | 1.36 | 1.55 |
| Earnings Yield | 6.04% | 8.21% | 5.08% | 10.55% | 7.75% | 9.05% |
| Debt/Equity | 0.41 | 0.41 | 0.72 | 0.56 | 2.56 | 0.42 |
| Cash Flow (\$/share) | 4.69 | 2.72 | 6.94 | 12.16 | 7.32 | 8.43 |
| Growth Score | D | - | - | C | A | D |
| Hist. EPS Growth (3-5 yrs) | 28.24% | 12.15% | 10.56% | 32.36% | 28.91% | 21.66% |
| Proj. EPS Growth (F1/F0) | -27.44% | 0.00% | 0.00% | 7.20% | 37.12% | 9.46% |
| Curr. Cash Flow Growth | 17.86% | 31.63% | 14.83% | 59.83% | 57.32% | 13.40% |
| Hist. Cash Flow Growth (3-5 yrs) | 21.50% | 15.78% | 9.00% | 32.06% | 13.61% | 17.54% |
| Current Ratio | 1.17 | 1.31 | 1.23 | 3.07 | 1.33 | 1.11 |
| Debt/Capital | 29.23% | 27.30% | 42.92% | 36.03% | 71.92% | 29.33% |
| Net Margin | 36.72% | 5.73% | 11.08% | 16.67% | 10.07% | 12.89% |
| Return on Equity | 27.18% | 12.26% | 17.10% | 43.83% | 59.56% | 16.51% |
| Sales/Assets | 0.15 | 0.23 | 0.55 | 1.05 | 1.00 | 0.21 |
| Proj. Sales Growth (F1/F0) | -12.48% | 0.00% | 0.00% | 0.00% | 0.00% | 5.30% |
| Momentum Score | F | - | - | B | C | C |
| Daily Price Chg | -0.54% | 0.00% | 0.33% | -0.33% | -0.37% | -0.68% |
| 1 Week Price Chg | 0.42% | 0.00% | 0.13% | -1.54% | -0.65% | -0.32% |
| 4 Week Price Chg | -2.34% | 0.11% | 3.67% | -0.41% | 1.97% | 1.66% |
| 12 Week Price Chg | 48.71% | 5.59% | 10.64% | 1.08% | 26.11% | 17.03% |
| 52 Week Price Chg | 1.51% | 3.93% | 27.46% | 4.47% | 51.03% | 20.23% |
| 20 Day Average Volume | 4,281,654 | 95,375 | 1,693,267 | 359,496 | 443,526 | 518,648 |
| (F1) EPS Est 1 week change | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| (F1) EPS Est 4 week change | -0.11% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| (F1) EPS Est 12 week change | -16.44% | -3.26% | 0.14% | -8.79% | 0.63% | -0.92% |
| (Q1) EPS Est Mthly Chg | 0.26% | 0.00% | 0.00% | 0.00% | 0.00% | NA |

Zacks Stock Rating System

We offer two rating systems that take into account investors' holding horizons: Zacks Rank and Zacks Recommendation. Each provides valuable insights into the future profitability of the stock and can be used separately or in combination with each other depending on your investment style.

Zacks Recommendation

The Zacks Recommendation aims to predict performance over the next 6 to 12 months. The foundation for the quantitatively determined Zacks Recommendation is trends in the company's estimate revisions and earnings outlook. The Zacks Recommendation is broken down into 3 Levels; Outperform, Neutral and Underperform. Unlike many Wall Street firms, we have an excellent balance between the number of Outperform and Neutral recommendations. Our team of 70 analysts are fully versed in the benefits of earnings estimate revisions and how that is harnessed through the Zacks quantitative rating system. But we have given our analysts the ability to override the Zacks Recommendation for the 1200 stocks that they follow. The reason for the analyst over-rides is that there are often factors such as valuation, industry conditions and management effectiveness that a trained investment professional can spot better than a quantitative model.

Zacks Rank

The Zacks Rank is our short-term rating system that is most effective over the one- to three-month holding horizon. The underlying driver for the quantitatively-determined Zacks Rank is the same as the Zacks Recommendation, and reflects trends in earnings estimate revisions.

Zacks Style Scores

The Zacks Style Score is as a complementary indicator to the Zacks rating system, giving investors a way to focus on the highest rated stocks that best fit their own stock picking preferences.

Academic research has proven that stocks with the best Value, Growth and Momentum characteristics outperform the market. The Zacks Style Scores rate stocks on each of these individual styles and assigns a rating of A, B, C, D and F. We also produce the VGM Score (V for Value, G for Growth and M for Momentum), which combines the weighted average of the individual Style Scores into one score. This is perfectly suited for those who want their stocks to have the best scores across the board.

| | |
|----------------|---|
| Value Score | D |
| Growth Score | D |
| Momentum Score | F |
| VGM Score | F |

As an investor, you want to buy stocks with the highest probability of success. That means buying stocks with a Zacks Recommendation of Outperform, which also has a Style Score of an A or a B.

Disclosures

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ZIR uses the following rating system for the securities it covers. **Outperform-** ZIR expects that the subject company will outperform the broader U.S. equities markets over the next six to twelve months. **Neutral-** ZIR expects that the company will perform in line with the broader U.S. equities markets over the next six to twelve months. **Underperform-** ZIR expects the company will underperform the broader U.S. equities markets over the next six to twelve months.

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